

# CURRENT HISTORY

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# South America, 1989

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# Current History

FEBRUARY, 1989

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*Our February, 1989, issue reviews the major developments in the Middle East during 1988, including the Persian Gulf War, the Palestinian uprising, the national elections in Israel, and changing United States policy in the region, which, our lead author says, is marked by the commitment of both the United States and the Soviet Union "to continuing the process of reducing tension, expanding discussion from the military and strategic areas to a range of political and economic issues."*

## The Changing American Role in the Middle East

BY LEONARD BINDER

*Professor of Political Science, University of California, Los Angeles*

THE 1988 presidential election campaign in the United States produced neither a great debate on Middle East policy nor an elucidation of the issues facing the United States when stalemates in the Persian Gulf, Afghanistan, and the Palestine conflict were apparently ending. Neither of the presidential candidates discussed regional issues in depth, preferring instead to defer such considerations until the resumption of the dialogue between the United States and the Soviet Union.

For the most part, speech writers avoided generalities, treating those Middle East issues that they were willing to have on the agenda in the narrowest and most pragmatic way. Occasionally, however, some glimpse of a larger perspective did show through. Vice President George Bush insisted that we were not yet at the end of the American century, while Massachusetts Governor Michael Dukakis emphasized the importance of working more closely with our allies, or through the United Nations, or in cooperation with the Soviet Union. It is apparent that some members of the foreign policy staffs of both candidates had read Paul Kennedy's book<sup>1</sup> on the rise and decline of hegemonic powers; they were acquainted with the debate on whether the United States was carrying too much of the burden of regulating the international system and might better relinquish part of that burden, and the decision-making power that went with it, to a consortium of its allies.

<sup>1</sup>*The Rise and Fall of the Great Powers* (New York: Random House, 1988).

The central idea behind hegemonic theory is that the leading power of the period bears a major responsibility for regulating the international system during that period. Presumably the leading power assumes this responsibility because it is the prime beneficiary of the existing order.

Although the calculations of the leading power may include some sort of cost-benefits analysis, some theorists argue that hegemonic powers pursue the regulatory imperative even though the costs may, or even must, eventually come to outweigh the economic benefits. As the economic resources of the leading power fall increasingly short of its requirements, the order of the system breaks down. For some observers, British arms deals, Japanese petroleum deals, the French and West German ransoming of hostages, the reports of Pakistani nuclear weapons development all make clear the weakening of the international system and evidence a willingness to see the American role in the Middle East diminished.

There is a systematic ambiguity about the language of posthegemonic foreign policy, because language can be used to obscure the differences between voluntary and coerced cooperation and between consensus and acquiescence in the making of collective policy. The United States sought the collaboration of its allies when it intervened in Lebanon in 1982 and when it intervened in the Persian Gulf in 1987, and even when it bombed Libya in 1986. In each of these cases, and in Afghanistan as well, the United States took a strong position and then pressed its allies for support and cooperation.

Far from being examples of posthegemonic sharing, these cases are all reaffirmations of the power of the leading power to impose burdens on its subordinate allies. Still, the reluctance of America's allies to support the bombing raid on Libya and to persevere in Lebanon contrasts sharply with their enthusiasm for involvement in the Persian Gulf. The undisciplined competition for arms sales to countries in the Persian Gulf, especially the huge deal made by Great Britain and Saudi Arabia, indicates how the decline of hegemony may manifest itself in a lack of policy coordination as well as in a redistribution of costs and benefits.

The new image of the American role as posthegemonic has more to do with American economic difficulties than with recent events in the Middle East. Moreover, the idea of hegemonic leadership and regulatory responsibility becomes confused during a period of détente, when it appears that the two great powers are inclined to cooperate in policies that will reduce their combined costs of regulating the international system while reducing the need for strict discipline among their respective allies. Hence, even though the Middle East often appears to be at the very center of United States foreign policy, it may make more sense to question whether Middle East regional questions are diagnostic in any significant sense. Even if it were concluded that the decline of American influence in the Middle East would not affect American hegemony, does it follow that there is no need to regulate the regional system, to seek an accommodation with the Soviet Union in the region, or to sustain viable regional surrogates who can work with the United States?

There is no doubt that a serious disruption of the flow of petroleum from the Persian Gulf would have a dangerously negative impact on the ability of the United States to continue its world leadership role. This consideration led to the risky but ultimately successful United States involvement in preventing Iran from retaliating against Kuwaiti and Saudi shipping for Iraqi attacks against Iranian oil export operations. The American decision in this regard was greatly influenced by Kuwait's willingness to appeal to the Soviet Union and the latter's apparent willingness to play a major role in regulating the flow of oil from the Persian Gulf.

Some observers advocate that, in addition to the withdrawal of American naval forces from the Gulf, we should seek some cooperative arrangement with the Soviet Union, perhaps in the context of a UN initiative, to establish an international "regime" in that area of the Middle East. Others believe that more responsibility should be turned over to the Gulf Cooperation Council, an organization of Arab

states set up by Saudi Arabia to counter Iraqi and Iranian influence in the Gulf, while masking the degree of Saudi dominance over the smaller and weaker sheikdoms in the area. Combined with the effects of the accelerating arms race unleashed by the Iran-Iraq war, the exclusion of the great powers from the regulation of the region raises apprehension and questions about the relationship of stability in the Middle East to stability in the global system.

However these questions are answered, it is clear that the Middle East has witnessed a decline in the performance of regulatory roles in recent years. In the Gulf itself, the Islamic revolution transformed Iran from a subregional great power into the most aggressively revisionist of states. Among the Arab states, the regulatory role once played by Egyptian President Gamal Abdel Nasser was eliminated during the 1967 Six Day War with Israel, and even Egypt's recent partial return to the Arab fold has not restored its position. After the Yom Kippur (or October) War of 1973, the rapid rise of OPEC (Organization of Petroleum Exporting Countries) suggested the possible emergence of a new structure of regional regulation, but overproduction within OPEC has disappointed hopes for a pacific, mercantile hegemony. Although the United States has had some success in its offshore role in the Persian Gulf, and although the United States has greatly improved its relations with Egypt while reformulating its close relationship with Israel as a strategic alliance,\* the direct regulatory pretensions of the United States received a devastating blow in the humiliating defeat in Lebanon.

At the same time, the Soviet Union has steadily diminished its commitments to Middle East states, indicating that it is willing to play a regulatory role only as part of its general pursuit of détente in cooperation with the United States. The European states have not stepped into the breach. British cooperation in the bombing of Libya, French involvement in the Chad conflict, Italian action in Lebanon, and French, British and Dutch cooperation in the Gulf are all ad hoc and discontinuous contributions. At the same time, Iran, Libya and even Syria and Iraq are likely to continue policies of destabilization, even if they proceed cautiously.

## CEASE-FIRE IN THE GULF

On the other side of the ledger, a number of problems have been brought nearer to solution, making direct great power involvement less necessary and perhaps less desirable. The cease-fire in the Persian Gulf seems to have taken hold, and with each passing day the willingness to return to fighting declines. The peacemaking process promises to be almost as prolonged as the fighting, and the longer it takes the better, as far as the neighboring states

\*The United States announced its willingness to talk to the PLO's chairman Yasir Arafat after this article was written.



are concerned. The situation in Afghanistan seems more problematical because the Soviet Union's commitment to withdraw its forces has not been related to any agreed arrangement for the future governance of that country. Since Pakistan's foreign policy will be more hesitant under whatever government is elected than it was under President Mohammed Zia ul-Haq, Pakistan cannot be expected to play a decisive role in keeping that part of the region under control. Nevertheless, the present process of disengagement is welcome.

Similarly, the cessation of hostilities in northern Chad and in the Western Sahara favors the reduction of regional tension and may contribute to the strengthening of regional cooperation. The occupied Palestinian territories, Lebanon, and Sudan are potential flash points, but there is some hope that they will not deteriorate further. The *intifada* (uprising) has focused attention on the plight of the Palestinians under Israeli occupation, but it has actually led to the most promising and conciliatory response ever made by the leadership of the PLO (Palestine Liberation Organization).<sup>\*</sup> The failure of the various Lebanese factions to cooperate and elect a President has been a grave blow to the aspirations for a future restoration of Lebanese self-determination, but the situation in Lebanon itself does not seem to have deteriorated.

The civil war and famine in Sudan are gradually becoming the most urgent humanitarian, if not regional, political problem, demonstrating the price that is sometimes exacted as a consequence of the absence of any regional order. No power or group of powers is ready or able to help solve Sudan's economic, religious, ethnic and regional problems, although some powers may be willing to exploit the hopelessness of the situation. Presumably, if Libya's projected intervention does not seriously threaten Egyptian interests, Sudan's problems will not spill over into regional affairs.

There is no justification for complacency because the heat seems to have been turned down under a few pots that were near the boiling point. But the new administration does not have to hit the ground running. The Bush administration must address some difficult problems, and they will require thoughtful analysis, deliberate decision making, and a constant reassessment of success or failure. Happily, the United States does not seem to have suffered much from the loss of initiative, the policy drift, and the preoccupation with secondary issues that have characterized the most recent phase of its Middle East policy. Maybe the United States will be lucky, but prudence urges caution.

Long before Iran surprised the world on July 18,

<sup>\*</sup>For a more detailed discussion, see the article by Aaron David Miller in this issue.

1988, with the announcement that it was willing to accept the UN peace plan and that it would cease firing immediately on all fronts, it was already at work on an effort to improve relations with the Western powers. Presumably, Iran's intentions in improving relations first with France and later with Britain were originally directed at pursuing the war more vigorously, but that did not necessarily preclude improving relations with the United States. And even though American policy was confused by the Iran-contra affair, it was widely acknowledged that long-run United States interests led in the direction of an improvement in relations with the largest regional power in the Persian Gulf.

The irony of the situation was due not only to the fact that imperial Iran had been the designated American surrogate in the Persian Gulf before the Islamic revolution, or that the Shah had tried to put pressure on the United States while acting independently in the region. The irony stems from the fact that many American experts thought that Iran would win the war and were therefore willing to submit to Iranian pressure in the hope of opening a channel that might permit some eventual improvement of United States-Iranian relations. The ignominious American withdrawal from Lebanon and the failure to respond to the taking of American hostages in that country, coupled with the public acknowledgment of the long-term importance of Iran to the United States, taught the Iranians that they could get much more out of the Americans by making things tough. Of course, the learning process goes all the way back to the first hostage crisis, the fear of an "October Surprise" (1980) and the first shipments of arms and spare parts to Iran via Israel. The result of all this was that United States policy came to be driven more by the hostage question than by considerations of the ultimate resolution of the Gulf War, the guarantee of oil supplies, and the future regulation of the regional system.

The ultimate irony is that the United States might have refused Kuwait's request for protection for its oil tankers had it not been for the revelations of the Iran-contra scandal and the desire of the Reagan administration to divert attention therefrom while proving to Arab and domestic critics that American policy was not being held hostage by Iran. In retrospect, the policy of escorting Kuwaiti tankers and ultimately of retaliating against Iranian naval forces and oil installations seems to have been successful. Originally, however, it should be remembered, the Kuwaiti plea was a thinly veiled effort, coordinated with Iraqi military policy, to bring the Western powers into the conflict on the Arab side. The Reagan administration justified the unprecedented and risky involvement by pointing to the fact that the Soviet

Union had indicated its willingness to do the job.

Even though the Iranian offensive of 1988 was called off and even though Iraq achieved outstanding successes on the battlefield, Iran chose to attribute its submission to the UN peace plan to United States naval attacks and particularly to the destruction of civilian airliner Iran Air 655 by the USS *Vincennes* with the loss of more than 240 lives. Presumably, that attribution bodes ill for any early improvement in relations between the United States and Iran. It is also likely that any suggestion of contact between Iran and the United States during the recent election campaign would have raised serious questions of another October Surprise and the compromise of American interests in a cynical attempt to manipulate the outcome of the election. But Iran has managed to save face while blaming the United States for the failure of Iran's war policy, and the United States presidency has been won by the party that involved the United States in the Iran-contra affair. The United States and Iran need not continue in an irrationally hostile posture when they may need one another in the near future. Thus one of the major challenges facing President Bush will be how to respond to the opportunity to improve relations with Islamic Iran without affecting American relations with its Arab allies.

## THE PALESTINIANS

The Bush administration must also continue to maintain a sensible and flexible response to the "peace offensive" that was first launched at the Algiers meeting of the Palestine National Council (PNC) in November, 1988, and to the subsequent Arafat statement implicitly recognizing Israel's right to exist and renouncing terrorism. Throughout 1987, the United States government had made only half-hearted efforts to advance the so-called peace process between Israel and the Arab states. The Amman summit of the Arab League, meeting in November, 1987, seemed to produce a significant success for the policies of Jordan's King Hussein. The 1987 meeting heralded a new era of inter-Arab cooperation; it placed the Persian Gulf War at the top of the Arab agenda; and it relegated Palestine to subordinate status as a problem that time alone might resolve. The subsequent outbreak of the *intifada* was related to these decisions and to the defeat of the PLO in Lebanon in 1982, to the humiliations heaped on PLO chairman Yasir Arafat by Syria's President Hafez Assad, to the failure of King Hussein and Arafat to find common ground on which to approach the United States and Israel, and to the continuing effort of Egypt's President Hosni Mubarak to restructure inter-Arab relations. The population of the West Bank and the Gaza Strip finally asserted themselves, and the in-

habitants made it clear that they want a program that addresses their problems rather than the problems of a hypothetical Palestinian nation.

In the face of this unexpected outburst of Palestinian political activism and enthusiasm, the United States pressed Israel to exercise greater forbearance in its efforts to maintain order in the occupied territories. But as the uprising continued, the outrage expressed by the American media in response to the policies enunciated by Israeli Defense Minister Yitzhak Rabin turned to indifference. The PLO itself could not decide whether to mount a full-scale military and political offensive against Israel in coordination with the uprising, or whether to play a supportive role while giving the leadership in the occupied territories an opportunity to win the sympathetic attention of world opinion. Without deciding that central issue, the PLO pressed for another meeting of the Arab League (in Algiers, June 7-9, 1988), to undo the symbolic damage to the Palestinian cause wrought by the Amman meeting. In placing the Palestine question at the head of the Arab agenda again and by naming the PLO as the agency that would sustain and guide the *intifada* on behalf of the Arab League, the PLO restored some of its influence among the Arab states.

The response of the other Arab states was disappointing. Little financial assistance was forthcoming from the wealthier states, and on July 31, 1988, Jordan's King Hussein shocked the world by declaring that he would no longer bear financial, administrative and political responsibility for the occupied territories. Palestine, he said, was not Jordan. Jordan's attempt at a political divorce from Palestine had a greater effect on all the parties concerned than did the uprising itself. American policy had been based on the Jordanian option, like the policy of the Israeli Labor alignment. Even the Likud had spoken about negotiating with Jordan. But instead of opening the way to a solution of the Palestine question, Jordan's refusal to serve as a stalking horse for the PLO raised the question of the constitutional status of the occupied territories.

Arafat waited until both the American and the Israeli elections were concluded before convening the PNC, and he has been criticized for not acting earlier and more decisively to try to influence the Israeli election. For his part, it was probably easier to hold off until it was clear that the PLO and the uprising faced a hard-line Israeli government with

(Continued on page 96)

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**Leonard Binder** is a past president of the Middle East Studies Institute. His latest book is *Islamic Liberalism: A Critique of Development Ideologies* (Chicago: University of Chicago Press, 1988).

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*"... the 1988 Israeli election represented the spectrum of opinion within the Israeli electorate. The intifada has contributed to polarization [and]. . . . to the weakening of the center in Israeli politics. The deadlock between Arab and Jew has become harder to resolve. . . ."*

## Israel Comes of Age

BY AVNER YANIV

*Professor of Political Science, University of Haifa*

JEWISH traditions identify years by a combination of five letters. Each of the letters has a fixed numerical value. Aleph (A) is worth 1, Beth (B) is worth 2 and so on to Tav, the last letter in the alphabet, which denotes 400. The individual letters for each year add up to that year's number since the act of creation (according to the Bible). Israel became an independent state in 1948, which, in the Jewish counting, was 5708 and was therefore called HaTashach or Tashach (Ha stands for 5000 and is often dropped). Forty years later, Israel prepared to celebrate its anniversary in a year that, by name, could not be more appropriate: 1988 is 5748 in the Jewish calendar (in its common abbreviated form it reads Tismach or thou shalt be happy). Indeed, the government of National Unity headed by Prime Minister Yitzhak Shamir and Foreign Minister Shimon Peres had every intention of happily celebrating its fortieth anniversary. As the year wore on, however, it became painfully clear that this was not to be. In the final analysis, 1988 was one of the most troubling years in the Jewish state's short but eventful history.

This is not the same as saying that every single aspect of Israel's national experience in the course of 1988 was disappointing. There were no major upheavals on the previously crisis-ridden economic front, and after nearly two decades of isolation Israel made some very important strides in its foreign relations. But these important gains, which under different circumstances would have cheered the Israelis, were offset by the painful repercussions of the Palestinian uprising, by continuing instability and bloodshed in south Lebanon and by the debilitating transformation of the parliamentary scene as a result of the elections to the twelfth Knesset.

A source of grave concern in previous years, in 1988 the Israeli economy continued to show promising though still inconclusive signs of recovery. Exports increased by an annual rate of 18 percent, whereas imports rose by only 10 percent despite the

fact that it was an election year.<sup>1</sup> Foreign currency reserves remained at a healthy plateau of over \$5 billion. The burden of the country's external debt declined from more than \$20 billion to less than \$19 billion.<sup>2</sup> Inflation remained at an annual average rate of about 16 percent. But this was a spectacular improvement on the three-digit inflation rate of previous years. There was a general feeling not only that stability had finally been restored but also that, with a little more effort, inflation could be brought down to an OECD (Organization for Economic Cooperation and Development) standard of less than one percent a month.

Inflation, however, was curbed at a considerable cost. In 1987, there was a 4 percent growth in the gross national product (GNP), and it was generally expected that in 1988 this reasonably healthy level of growth would continue. However, a month before the end of the year all the indicators suggested a decline in the growth rate to about 2 percent. Israel, which had had a strong tradition of full employment, was forced to resign itself to a staggering 7 percent unemployment rate, which translates to 100,000 distressed families.<sup>3</sup> The hardest hit were families in the industrial basin in and around the city of Haifa and the exceedingly vulnerable, mainly Sephardic-populated developing towns, communities like Kiryat Shemoneh, Hazor, Beit Shean, Kiryat Malachi, Kiryat Gat, Dimona and Yerucham. One of the most important reasons for this situation was a tidal wave of bankruptcies in once formidable industries (especially in the public sector) and in Hevrat HaOvdim, the trade union movement's industrial and banking conglomerate.

To a certain extent, these failures could be attributed to poor management. But just as important was the sharply reduced level of government support. Whereas both Likud and Labor were publicly committed to a vigorous policy of renewed growth, neither party could bring itself to agree on how to expand without stimulating still another wave of devastating inflation. Industries in difficulty (in many cases because of the abrupt shift from an inflationary economy to a more stable one) were left to handle their own problems and had to go into

<sup>1</sup>Haaretz, November 10, 1988.

<sup>2</sup>Interview with Professor Michael Bruno, the incumbent head of the Bank of Israel, in *Maariv*, September 9, 1988.

<sup>3</sup>Haaretz, op. cit.



liquidation or lay off thousands of employees and adjust to a far more modest level of operation.

What made the problem worse was the determined opposition of the Bank of Israel and the Ministry of Finance to a policy of controlled devaluation of the Israeli shekel. These bodies intended to prevent a renewed inflationary spiral and to force industries to become more competitive. The outcome, inevitably, was a decline of up to 20 percent in the competitiveness of Israeli products on the world market, a huge burden of debt at exorbitant interest rates on many businesses and industries and, inescapably, one of the worst waves of unemployment in Israel's history.

### THE DEFENSE INDUSTRIES

The overall industrial picture, however, was mixed, not entirely bleak. One sector where this showed was the all-important defense-related industry. Following a prolonged process of evaluation, the Israeli Defense Forces (IDF) ordered the *Saar 5*, a new type of fast missile boat that is currently being built on the basis of an Israeli design at the Israel Shipyards in Haifa. This decision is likely to boost the industry after several years of deep depression. Meanwhile Israel continues to export arms to the tune of anything from \$1.25 billion to \$1.5 billion a year. Customers include many third world countries, controversial customers like South Africa, Argentina, El Salvador, Taiwan, Singapore, Sri Lanka and Zaire; there is also a growing volume of exports to the United States.

Much of this industry, however, is hardly new and has, in fact, been a prominent feature of Israel's foreign trade program for more than a decade.<sup>4</sup> What distinguishes the current year from previous years, however, was the decision taken on August 30, 1987, after much domestic controversy and some strain in relations with the United States, to scrap the Lavi multipurpose aircraft program. The reasons were complex. The United States government, which had previously permitted the use of some military assistance to Israel for the purpose of advancing the Lavi, reappraised its position and came down squarely against the program. The IDF, fearing that financing the ambitious program would demand severe cuts in its already strained budget, was a persistent opponent of the program. The Israeli Air Force, too, appeared to be cool both because of financial concerns and because the Lavi would not live up to its estimated operational needs. RAFAEL (the Hebrew acronym for authority for the development of weapons) challenged the very concept of Israeli development of "platforms," namely, vehicles or means of delivery.

<sup>4</sup>See Aaron Klieman, *Israel's Global Reach* (Oxford and Washington, D.C.: Pergamon-Brassey, 1985).

Support for the continuation of the program came mainly from two sources. The first was the Israel Aviation Industries (IAI), for which the Lavi would mean a colossal upgrading from a secondary aviation industry specializing in aircraft repair and auxiliary system development to a world-class aviation industry. The second source of adamant and persistent support for the Lavi came from Moshe Arens, an aeronautical engineer, a member of the Knesset, a leading member of the Likud party and, above all, a former ambassador to the United States and a former minister of defense. In a sense, Arens acted increasingly as a spokesman, if not a lobbyist, for IAI. Nonetheless, after a prolonged debate the Lavi program was defeated. A few hundred employees of IAI were laid off, but before the end of 1988 the industry obtained new orders of a magnitude that, according to press reports, made up for what had been lost because of the scrapping of the Lavi program.

### THE PEACE PROCESS

Israel's foreign policy record for 1988 was just as mixed as its economic performance. The most important dimensions of foreign policy related predictably to that nexus of relations with neighboring countries and with the superpowers that is often lumped together under the heading "the peace process." After several years of haggling with Egypt over the way to resolve the controversy concerning Taba (a small part of the Sinai left under Israeli control when Israel evacuated the Sinai under the 1979 peace agreement), Israel at last accepted arbitration at the International Court of Justice at the Hague. In October, 1988, the court ruled in favor of Egypt.

How Israel is going to comply with this decision had to be postponed, because of the elections to the twelfth Knesset. Whereas Labor, and the party's leader Shimon Peres, argued persistently that a small issue like Taba should not be allowed to spoil Israel's peace with Egypt, some members of the Likud have been adamant that Taba should never be returned completely.

Another area of foreign policy at the center of Israeli and international attention during 1988 was the issue of an international peace conference. In December, 1973, such a conference was employed to provide a framework for what subsequently became trilateral Egyptian-Israeli-American negotiations. Ever since the formation of the Likud-Labor National Unity government in the fall of 1984, the Labor party (and particularly Shimon Peres) was engaged in a dynamic quest for a new phase in the peace process that would bring in Jordan and one or another Palestinian delegation. This quest for a formula was predicated in part on the assumption that



it was impossible to agree before negotiations on almost anything of consequence and that, for this reason, the most promising strategy would be to persuade the parties to open negotiations without preconditions.

Once the negotiations were under way, Peres hoped, it would be virtually impossible for either Israel or its Arab interlocutors to withdraw from the dialogue, because such a drastic step would lead to unbearable international condemnation. Realistically, if the Palestinians cooperated with such a dialogue, they would isolate their militants and facilitate a trilateral Israeli-Palestinian-Jordanian solution acceptable to Israel. If, however, the Palestinians abstained from the negotiations or withdrew from them before an agreement was reached, they would undercut their own position and enhance the interests of both Jordan and Israel.

In order to facilitate such a dialogue with Jordan and the Palestinians, Peres engaged in secret negotiations with King Hussein of Jordan. The United States was aware of these negotiations and at some stages actually engaged in facilitating them by dispatching as a special envoy to the area Vatslav Gribanov, a veteran Middle East hand. During a secret face-to-face meeting between Peres and Hussein on April 11, 1987, the Jordanian monarch and the Israeli Labor leader (in his role as Israel's foreign minister) at last struck an agreement. Hussein accepted the need to enter into negotiations without any advance assurances about concessions from Israel. In return, Peres agreed to the notion of an international conference, like the one that had provided the framework in 1973.

When Peres took up the matter with his colleagues in the Israeli Cabinet he met unwavering opposition from his Likud partners in the National Unity Government, especially Prime Minister Yitzhak Shamir. As a result, in the fall of 1987 and in 1988 there were endless maneuvers designed to break the deadlock between Israel's two main political parties. The matter, to be sure, had a complex international dimension in addition to its domestic aspect. The main argument of the Likud was that an international conference that included the Soviet Union would become a pro-Arab line-up against Israel. Soviet leaders, according to opponents of the conference, would have to oblige the Arabs and would therefore put pressure on the United States to deliver concessions from Israel.

Peres replied that the Soviet Union could not do so because its participation in the conference was conditional on its resumption of diplomatic relations with Israel and on Soviet permission to large numbers of Soviet Jewish citizens to emigrate. Moscow, Peres argued, could not meet either condition and if it did so Israel should be willing to face

it in an international conference because Moscow would then become far less hostile.

Facing Shamir's opposition, Peres and his team of young advisers engaged in a hectic process of meetings with Soviet representatives in which they tried to obtain Soviet agreement to the departure from the Soviet Union of large numbers of Jews and Soviet gestures toward the recognition of Israel. These contacts led to some significant changes: the number of exit visas for Soviet Jewish dissidents was increased from about 1,000 in previous years to about 20,000 in 1988; a Soviet consular mission was set up in Israel; an Israeli consular mission was opened in Moscow; for the first time since 1967 Israel established semiformal diplomatic and trade relations with the entire Soviet bloc, including even the traditionally hard-line East Germany and Bulgaria; a Jewish theological seminary was permitted to operate in Moscow.

In addition, Soviet President Mikhail Gorbachev lectured publicly to both Syrian President Hafez Assad and Palestine Liberation Organization (PLO) chairman Yasir Arafat about the "abnormality" involved in the absence of Soviet diplomatic relations with Israel; and Soviet diplomats were at pains to dissuade the PLO from declaring the establishment of an independent state. Yet while Shamir and the Likud were unquestionably impressed by all this (Shamir has always shown a keen curiosity about the Soviet Union), as long as Soviet diplomats confined themselves to small steps, the Likud could forget about an international conference in which the Soviet Union would participate.

## RELATIONS WITH THE UNITED STATES

While wooing the Soviet Union, Peres and his advisers did not neglect the United States. The administration of President Ronald Reagan had been very ambivalent about an international peace conference. This was partly because of a deeply ingrained reluctance (which is stronger in Republican than in Democratic circles) to legitimize the Soviet Union as America's equal in Middle East diplomacy and partly the reflection of an aversion to any role that might involve United States representatives in the muddy waters of domestic Israeli politics. In order to keep a handle on the situation, however, and also because — after all — the Reagan administration had launched a peace initiative (on September 1, 1982) based on an Israeli-Jordanian understanding, middle-level American diplomats were instructed to support Peres's negotiations with the Jordanians. But when Peres faced Shamir on this issue, Washington would not help him.

Then, in the spring of 1988, Washington suddenly sprang into action. The *intifada* (uprising) in the West Bank and Gaza created a sense of urgency in

the Reagan administration the like of which had not been noticed since the hot summer of 1982 when Israel invaded Lebanon. This attitude led to a number of visits to the region (on February 3, March 3, March 24, April 5 and June 3) by Secretary of State George Shultz and key State Department officials like Assistant Secretary of State Richard Murphy (on August 8). But despite the Americans' hard work and deep commitment, this was too little and too late to help Peres in his struggle with Shamir. By the summer of 1988, there was very little that either Shultz or Peres could do.

The astonishing thing about this chapter in United States-Israeli relations, however, is that apart from some momentary strains, this episode left no visible marks. The tensions generated by Israel's invasion of Lebanon, the Jonathan Pollard espionage affair\* and the Iran-contra scandal during 1986-1987 apparently evaporated without leaving visible damage; similarly, the strains of the American effort to persuade Israel to join in a negotiating process with Jordan and the Palestinians did not leave any significant bitterness.

An agreement on a United States-Israeli free trade area was working to Israel's satisfaction. Shultz's commitment to strengthening the alliance with Israel so that no successor administration could reverse the ties had apparently been fulfilled. A VOA (Voice of America) station was being built in the Arava, the eastern part of Israel's Negev desert. Israel gained the status of a NATO (North Atlantic Treaty Organization) member, and active training exercises between United States Sixth Fleet units and IDF units were conducted at increasing frequency. Last, but by no means least, impressed by the accelerating arms race in the Middle East and the introduction by Israel's adversaries of medium-range ballistic missiles and chemical weapons, the Reagan administration supported an Israeli program of antitactical ballistic missiles.

## THE EUROPEAN COMMUNITY

Gratifying but far less conclusive developments were also registered in Israel's relations with West Europe and the third world. In West Europe, Shimon Peres's efforts to move toward an international peace conference were widely supported. The West Europeans had been drifting toward an attitude critical of Israel since 1967. During the 1970's this criticism had led to an increasing emphasis in West European positions on the Palestinian issue. The PLO's repeated failure to take a more flexible position and the apparent likelihood that an Israeli-Jordanian dialogue would bear fruit led various members of the European Community (EC) to a re-

\*A former civilian analyst in the United States Navy who was convicted in March, 1987, of spying for Israel.

appraisal. But when the Peres initiative was checked by the Likud, the European Parliament suspended for several months the ratification of the EC's preferential trade agreement with Israel. And when Yitzhak Shamir set out to form a new government after the elections of November 1, 1988, he was immediately presented by barely veiled threats from West Europe: if he were to persist in his declared opposition to an international peace conference—as he promised his constituency—the Council of Ministers of the European Community would follow the lead of its Greek chairperson and meet with PLO chairman Yasir Arafat.

## A NEW CHAPTER IN THE THIRD WORLD?

Meanwhile, Israel's position in Africa was also in a state of flux. Congressional pressures in the United States led to an American request that Israel lower its profile in its relations with South Africa. Jerusalem complied with regard to the public dimension of these relations, but continued to provide substantial economic and military assistance to South Africa, in addition to the traditional Israeli concern for South Africa's 100,000 Jews. This low profile was supported by the Labor party on principle, but it was also beneficial to Israel's relations with black Africa. Both Likud and Labor were in favor of an energetic bid for renewed relations with major black African states.

Since 1967, many black Africans had argued that their governments could not continue to maintain diplomatic relations with Israel as long as it was occupying the lands of an African state—Egypt. Since 1982, Israel has relinquished control of all Egyptian territory; thus, Israeli negotiators argued, black Africa should eschew its opposition to diplomatic relations with Jerusalem. As Israeli policymakers foresaw, these arguments alone could not lead to a restoration of relations between Israel and all African states that had broken relations in 1973. But a few important countries—Zaire, Cameroon and Liberia—restored relations with Jerusalem in 1988, and most African states have been eager to develop their trade relations with Israel without going public on the diplomatic level.

(Continued on page 100)

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*"The intifada [the uprising in the Israeli-occupied territories] has created new realities and set into motion certain trends for Palestinians under Israeli occupation and for those outside, which over time may have a major impact."*

# Palestinians and the Intifada: One Year Later

BY AARON DAVID MILLER

*Policy Planning Staff, United States State Department*

OVER a year ago, Palestinians took to the streets of the West Bank and Gaza in an explosion of rage and frustration against the Israeli occupation.\* Since then, much has been written about the Palestinian uprising and the PLO (Palestine Liberation Organization), most of it stressing the historic nature of the *intifada* and the profound changes it has introduced. To some observers, these events have fundamentally altered the nature of the Arab-Israeli conflict, marginalizing Jordan's role and emphasizing the communal nature of the Israeli-Palestinian confrontation.<sup>1</sup> Others have argued that the *intifada* is really a social revolution that has changed Palestinians' perceptions of themselves.<sup>2</sup>

The *intifada* may well represent all these things. In a year's time it has introduced a great deal of uncertainty into traditional thinking about the Arab-Israeli conflict; it has changed Palestinians' perceptions of themselves and the Israeli occupation and has forced key parties to adjust their calculations; ultimately it may result in even more profound changes.

But it is equally striking that the events of the past year have clarified very little. Israelis and Palestinians have adjusted to a new albeit painful situation. The violence has forced the PLO to embark on a new political strategy; yet it is too soon to tell whether this will lead to a political process able to change the status quo. At the same time, the uprising has not increased the costs to a point that either community cannot tolerate. There may well be opportunities ahead for resolving the Israeli-Palestinian conflict, but these have not yet presented themselves. Indeed, the *intifada* is still in the process of evolving—an event whose consequences, though potentially great for Arab-Israeli accommodation, remain as yet unrealized.

The ambiguities and uncertainties of the uprising are most apparent in the way the *intifada* has affected Israel, the Palestinians inside the territories, and the PLO:

- the *intifada* reflects changes in the traditional pattern of Palestinian politics, giving rise to new trends, leaders and institutions; however, it is by no means clear how this new particularism will evolve or how it will affect West Banker/Gazan relations with the PLO, or over the long term with Israel;
- the uprising has spurred sharp debate within the PLO, forced Palestinians outside the West Bank and Gaza to give greater attention to those inside, and challenged Yasir Arafat to define a more salient political strategy. But it is too soon to tell whether this new focus will continue to act as a catalyst to energize the PLO or whether events will relieve the pressure for more decisive action.

None of these ambiguities should be surprising, particularly in a region where outcomes are rarely clear-cut and the parties are adept at keeping their options open. The process set into motion by the *intifada* may have reached a plateau: the *intifada* forced the PLO to act at the PNC (Palestine National Council), and to meet United States conditions for dialogue. Yet this by itself cannot change the reality of the Israeli occupation. In the end, breaking the cycle of confrontation and moving toward negotiation will depend on an Israeli-Palestinian accommodation with all the risks and choices that the process poses for both sides.

That Gaza and the West Bank exploded in December, 1987, is far less surprising than the durability of the uprising itself, particularly its ability to sustain itself in the face of Israeli pressure. To some degree, this can be attributed to Israel's inability to cope with the *intifada* using traditional tactics, followed by its subsequent crackdown using methods that would only add momentum to the uprising. In large part, the *intifada* could have been sustained only by changes in Palestinian attitudes and leadership patterns that had begun to evolve over the past decade. These changes resulted in a weakening of traditional political elites and the emergence of mass-based political movements. In

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\*The views expressed in this article are the author's alone and do not necessarily reflect those of the Department of State or any other United States government agency.

<sup>1</sup>Don Peretz, "The Intifadeh: The Palestinian Uprising," *Foreign Affairs*, Summer, 1988, pp. 964-980.

<sup>2</sup>Jim Lederman, "Dateline West Bank: Interpreting the Intifada," *Foreign Policy*, no. 72 (Fall, 1988), pp. 230-246.



combination with the realities of Israeli occupation, they created a large pool of young, disaffected Palestinians who provided the bulk of the recruits to fuel the uprising.

Paradoxically, the same forces that prevented the emergence of a cohesive area-wide West Bank/Gaza leadership after 1967 laid the groundwork for the current uprising.<sup>3</sup> Over the past decade, the realities of Israeli occupation and of Jordanian and PLO efforts to increase their influence in the occupied territories combined to prevent the emergence of a regional leadership. Constrained by traditional family-clan, village and rural-urban divisions, denied an opportunity to elect their leaders freely since 1976, and inclined to look outside, particularly to the PLO, for direction, West Bankers and Gazans remained in political limbo.

The West Bank and Gaza were not without rough political organizations. Various centers of authority had emerged around traditional leaders of West Bank and Gazan towns and municipalities. By the mid-1970's, however, this group had lost much of its political influence to the moderate and pragmatic nationalists who tended to staff universities, run major newspapers, and head professional organizations and unions. These individuals identified closely with the PLO, but most of them lacked any broad-based constituency of their own. Nor was there much inclination to coordinate activities among these groups. Indeed, pro-Jordanian and pro-PLO antagonisms, family rivalries and personal rivalries reinforced competition rather than coordination. The lone Palestinian group that appeared—through its organization around the mosque and charitable societies—to have any infrastructure were Islamic activists; by and large, these were conservative and unable to compete with secular nationalists.

The only outlets where there was apparently some coordination and cross-contact were the trade unions and professional organizations that had emerged in the 1970's. These operated outside of the control of the traditional leadership and provided a place where elements from different areas and ideologies could gather. These organizations were

<sup>3</sup>Much of the discussion on changing patterns of Palestinian politics on the West Bank is drawn from Emile Sahliye's excellent study, *In Search of Leadership: West Bank Politics Since 1967* (Washington, D.C.: The Brookings Institution, 1988).

<sup>4</sup>*Haaretz* (Tel Aviv), December 13, 1988, in Foreign Broadcast and Information Service, *Near East and South Asia*, December 15, 1988, pp. 37-38 (hereafter cited as FBIS).

<sup>5</sup>*The Jerusalem Post*, February 3, 1988, pp. 1-2.

<sup>6</sup>The four major PLO groups are the Popular Front for the Liberation of Palestine (PFLP), Fatah, the Democratic Front for the Liberation of Palestine (DFLP) and the Palestine Communist party. Al-Quds Arab Radio, January 21, 1988, in FBIS, January 22, 1988, pp. 3-4.

<sup>7</sup>*Haaretz*, in FBIS, February 10, 1988, pp. 37-38.

not tightly coordinated entities, nor were they willing or able to assume leadership. But clearly in the leadership vacuum that had been created on the West Bank and Gaza, they emerged as a stronger focus for organization. These "mass-based" movements, including labor and women's groups, offered various nationalist and Communist groups an opportunity to coordinate their activities. Given the ties that extended into the refugee camps and urban areas, these associations must have played an important role as a network for contacts.

Thus, when the *intifada* erupted there was already a rough network of groups with ties in the urban neighborhoods and refugee camps. More important, an emerging generation of young Palestinians, many of whom had already seen the inside of Israeli jails, provided a militant alternative to the pragmatic, middle-age technocrats and traditional leaders who had dealt with the Israelis and Jordanians. Indeed, according to one demographic study, 76.9 percent of the population of Gaza was under the age of 29.<sup>4</sup> And this group was disaffected and heavily politicized.

But no matter how unorganized these groups may have been, they were united on two counts: opposition to the Israeli occupation and support for PLO/nationalist goals. The beginning of the uprising and Israel's reaction consolidated this rough unity even among Islamic militants and gave it a sense of purpose and direction.

Events produce leaders and institutions; so it was with the *intifada*. Within weeks of the outbreak of violence in mid-December, 1987, a shadowy group calling itself the Unified National Leadership of the Uprising (UNLU) had emerged as the closest approximation to a coordinating group. Indeed, UNLU began to issue a series of pamphlets that reported on developments and called for demonstrations and strikes. It was unclear what or who UNLU was. The *Jerusalem Post* reported in early February that there was a coordinating committee—a covert group composed of some 15 members, three each from the four major PLO groups and three from Islamic Jihad.<sup>5</sup> Nonetheless, other groups, like the Palestinian Arab National Forces, also issued statements over the new clandestine radio station Al-Quds.<sup>6</sup>

The inchoate nature of the emerging leadership reflected the consensual grass-roots character of the *intifada*. It may well have been true, as Israeli journalists speculated, that the uprising was being directed by a floating coordinating committee that was tied into regional committees and groupings rather than controlled by individuals.<sup>7</sup> The highly decentralized nature of the leadership was also evident in the way that West Bankers and Gazans began to organize in response to Israeli efforts to



suppress the uprising. There may have been higher coordinating committees, but an uprising of this duration was clearly being sustained at the local level. Indeed, from the beginning there had been speculation that the *intifada* was coordinated at the local level by “national committees” and not by a supranational regional body.

Whatever the form of such committees, it was clear that grass-roots organizing at the local level was a key feature of the Palestinian response. There were reports in the Israeli press that local institutions were being created in villages and municipalities to sustain the *intifada*. The symbolism of these committees was important as Palestinians sought to show solidarity with the uprising. But the committees also had a practical function; health, educational, food and strike-organizing committees tried to sustain their constituents during the uprising.

## RESULTS OF THE INTIFADA

The *intifada* clearly broadened Palestinian participation in West Bank politics and mobilized elements of the population who may not have considered themselves activists before. It also led to an increasing self-assertiveness and confidence among communities that had traditionally been unable or unwilling to take control of their politics out of the hands of Israelis, Jordanians and the PLO, or for that matter their own traditional elites. Indeed, in a symbolic sense the *intifada* completed a transition to a new generation of political leaders and a more militant political consciousness that had begun in the early 1970's and had been formalized in the last municipal elections held on the West Bank in 1976. The *intifada* was itself an election of sorts—a confirmation that the aging and the middle-aged leadership that had dominated local politics had formally ceded control to a younger generation. In late September the death of Gaza leader Rashad Shawwa—a permanent fixture in traditional Palestinian politics—seemed to symbolize the passing of leadership from one style of politics to another.

Perhaps more important, the *intifada* refocused the political center of gravity within the Palestinian community and concentrated the world's attention on West Bankers and Gazans; no other event could have accomplished this. No longer did the West Bank/Gaza appear to be simply an appendage of Israeli or PLO policy. For the first time in almost 20 years of Israeli occupation, the focus appeared to be shifting from Palestinians outside historic Palestine to those inside. Those who lead the *intifada* had been endowed with a kind of legitimacy never bestowed on any Palestinian community except the PLO. Palestinians had not only carried on a confrontation with Israel for over a year, but they were beginning

to organize politically. The significance of this was clearly not lost on the PLO, which looked at the uprising not only as an opportunity but as a major challenge.

The fact that the *intifada* had broadened Palestinian participation in uprising politics and had opened new opportunities for nationalist and Islamic activists did not suggest that a cohesive leadership with autonomous institutions was emerging. The Palestinians involved in *intifada* politics essentially composed a strike leadership charged with the management of an uprising, not the formulation of a strategy for a political movement. In fact, the very mass-based character of the *intifada* and the fact that its “political” direction was construed to be in PLO hands argued against the emergence of an all West Bank/Gaza leadership willing or able to articulate its own approach to Arab-Israel issues. Nor was it likely that the self-help committees that emerged as an ad hoc response to Israel efforts to end the uprising would evolve into more durable institutions. Palestinians were still far too dependent on the Israeli system to establish an autonomous infrastructure. And the Israelis were not about to permit such institutions to develop.

There were also divisions within the Palestinian community. For the most part, the *intifada* successfully contained intra-Palestinian rivalries and produced a remarkable degree of unity. There were cracks, to be sure, many of which appeared, according to Israeli press reports, over differences between Fatah's supporters and the PFLP (Popular Front for the Liberation of Palestine), and not surprisingly within Fatah itself over tactical issues. And there was intra-Palestinian violence when some Palestinians thought to be collaborating with the Israeli authorities were targeted.

The other fault line—between secular Palestinian nationalists and Islamic activists—had potentially more significance for the future direction of the uprising. For most of the uprising's first year, these differences were contained. By the spring of 1988, however, it appeared that the split between the secular nationalists and the fundamentalists had become more pronounced. The precise reason is not clear; there was some speculation that the fundamentalists broke with the UNLU over refusal to cooperate with the Communists.

More likely, the new Islamic grouping— Hamas; reportedly a clandestine outgrowth of the Muslim Brotherhood—felt threatened by the gains the secularists were making and disturbed by indications that the UNLU was prepared to accept a two-state solution rather than the more militant liberation of all Palestine that Islamic radicals advocated. By August, 1988, in an effort to preserve its own identity and further its own agenda, Hamas had ar-

ticulated its own program and moved to organize competing strikes and demonstrations.

### THE PLO AND THE INTIFADA

For the PLO leadership, the *intifada* and the events it triggered, particularly Jordanian King Hussein's July, 1988, decision to disengage from the West Bank, presented a major challenge. These events combined to refocus attention on the Palestinian issue, maintain a measure of unity in Palestinian ranks and reaffirm the PLO's role—at the expense of King Hussein—as the sole representative of the Palestinian people. Indeed, the uprising provided new focus and direction for an organization that lacked a secure territorial base, was still wrestling with splits in its ranks six months after the “unity” PNC meeting in Algiers, and was waging a tug of war with both Jordan and Syria.

At the same time, the *intifada* and King Hussein's disengagement carried risks and challenges of which the PLO became acutely aware. First, for all the rhetoric about bonds between West Bankers and Gazans and the PLO, it was clear that the leadership outside the territories was as surprised as most other observers by the intensity and durability of the uprising. The PLO leadership was doubtless in close contact with the UNLU; but, like a general staff physically cut off from its troops, the PLO could not control events in the territories.

In an effort to sustain the pretense that it was in control, however, the PLO's central council announced specific steps to support the uprising, including the creation of a higher committee, the allocation of an “extraordinary budget,” and a call for international protection of Palestinians in the territories.<sup>8</sup> Over the next several months, the PLO pursued a variety of other tactics to demonstrate its continuing relevance, including orchestrating debates at the United Nations (UN), mobilizing Arab support in Islamic and Arab League forums, planning a peace ship to return deportees to Palestine and appealing to Amnesty International.

The other immediate challenge faced by the PLO was preventing the divisions within Palestinian ranks from undermining the *intifada*. For the most part, the PLO took its cue from the relative unity of the *intifada* itself. And it sought to sustain this image outside even while various groups like Fatah and the PFLP may have jockeyed for influence on the West Bank and Gaza. Early in January, PLO chairman Yasir Arafat noted that all Palestinian factions are now fighting under “one slogan.”

For the most part, Palestinian factions outside

the West Bank and Gaza tried to contain their differences in support of the uprising. In March, the appearance at a joint press conference of the PLO's three key leaders—Arafat, George Habash and Naif Hawatmeh—seemed to reinforce the image of unity. Syrian-backed Palestinian groups continued to criticize Arafat, but most of their energies were focused on the uprising. Indeed, Syrian-sponsored Palestinian Radio al-Quds, the most authoritative transmission channel of the uprising, devoted most of its airtime to supporting the *intifada*, rather than engaging in intra-Palestinian recrimination.

But the biggest challenge the PLO faced was how to convert the uprising into durable political gains that would benefit its constituents, specifically those under Israeli occupation. In the initial phases of the *intifada*, this was not a major problem. The PLO saw the uprising—with its emphasis on mass demonstrations and stone-throwing rather than on guns—as a political windfall designed to achieve general goals: to gain world attention, to isolate Israel and to muster sympathy for the Palestinian cause and to strengthen its own position in the Arab world. Nor did the political initiative launched by the United States in January compel the PLO to articulate a political strategy. PLO groups officially blasted the plan, but individual PLO spokesmen kept Palestinian options open by praising certain elements of the initiative.<sup>9</sup>

Moreover, other Palestinians were apparently involved in floating trial balloons on peace process issues. Most significant was a document associated with Bassam Abu Sharif—Arafat's press adviser—and included as part of a “Palestinian dossier” by the PLO at the Arab summit at Algiers in June, 1988. Although the document was blasted by a wide range of PLO officials, including some key Fatah leaders (and partially disowned by Arafat), it was probably sanctioned at the highest levels. The accommodating tone of the article, particularly its emphasis on relating directly to Israel, was an obvious effort to project a moderate tone and to fish for positive reactions in the West. But it was also geared toward moderate nationalists on the West Bank and Gaza, who looked to the PLO for a new initiative to capitalize on the *intifada*.

The event that appeared to force the PLO into more active consideration of some political initiative was Jordan's decision in July, 1988, to sever its administrative and legal ties with the West Bank.

(Continued on page 106)

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<sup>8</sup>Baghdad Voice of PLO Radio, January 9, 1988, in FBIS, January 11, 1988, pp. 8-9.

<sup>9</sup>Abu Iyad statement, Paris Radio Monte Carlo, March 15, 1988, in FBIS, March 16, 1988, p. 9.

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*"In Lebanon, Syria's gambit failed," as this author notes, despite the fact that "the accent on Syrian Politics in 1988 was clearly on foreign policy."*

## Syria and Lebanon in 1988

BY ITAMAR RABINOVICH

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**I**N November, 1988, Syrian President Hafez Assad's regime celebrated yet another anniversary of the "corrective movement" that had brought it to power 18 years earlier. This is an impressive tenure of power, all the more remarkable given the record of instability and turmoil in Syrian politics. But durability must not be equated with stability. Assad's achievements in domestic and foreign politics rest on a shaky foundation, and the history of his regime has been marred by periods of crisis, difficulty and failure. Seen from this perspective, President Assad's years in power can be divided into periods of considerable success (1970-1977, 1983-1984) and periods of stress and distress (1977-1980, 1982, 1985-1986). On other occasions, the oscillation from success to failure was swifter and less dramatic.

The years 1987 and 1988 are a case in point. As John Devlin's essay in *Current History* showed a year ago,<sup>1</sup> in 1987 Assad's regime managed to cope with several of the difficulties that had plagued it in 1985-1986. Fundamental solutions to such problems as the economy's decline, the complexities of the Lebanese arena, the controversial relationship with Iran, the conflict with the Palestine Liberation Organization (PLO) and the discomfort generated by Soviet glasnost have not been found. But in 1987 the economy was stabilized, the damages caused by a policy of cultivating terrorism were largely repaired and, on the whole, events seemed to have taken an upward turn. By the summer of 1988, however, the trend had clearly been reversed. This was largely the result of developments in four foreign policy areas: the Iran-Iraq war, Syrian-Palestinian relations, Syrian relations with the superpowers and the Syrian presence in Lebanon.

For nearly eight years, Syria's alliance with Iran was a cornerstone of its regional politics. Syria came under heavy criticism for infringing the principles of pan-Arab nationalism by siding with a non-Arab state in Iran's war with an Arab state, but the bene-

fits of the Iranian alliance clearly outweighed its drawbacks. Iraq, the Assad regime's principal Arab opponent in the late 1970's, was effectively neutralized, a degree of Islamic legitimacy was conferred on Assad's regime and Syria was given some economic advantages by Iran. Syria also exploited its closeness to Teheran in order to serve as a mediator with the rich and vulnerable Arab oil states, exacting a price for its services.

In time the alliance became increasingly unstable. Syria and Iran became actual rivals in Lebanon, and Syria's ability to maneuver between Iran and the Arab states diminished. In November, 1987, after five years of obstructing a full-blown Arab summit, Syria finally attended the Amman Arab summit. There, Damascus was a net loser in a conference that chided Iran, sanctioned the renewal of diplomatic relations with Egypt and gave clear preference to Arab fears of Iran over the Palestinian issue. These trends were subsequently altered by the Palestinian uprising in the West Bank and Gaza Strip. But the whole configuration of the Iranian issue was in any event transformed by the cease-fire that ended the war (at least temporarily) with a less than decisive Iraqi victory.

The main impact of this development from a Syrian point of view was the opportunity thus created for Iraq to settle the score with Syria. The end of the fighting does not necessarily signify the end of the Iranian-Iraqi conflict, and the Iraqi leadership must devote most of its attention and resources to such tasks as reconstruction, preparation for a potential second round and a troubled home front. But as its attack on its own Kurdish minority indicated, President Saddam Hussein's regime emerged from the war determined to punish those who (as the Iraqis see it) took advantage of Iraq's predicament.

Beyond an intensification of the propaganda warfare, Iraq's determination to penalize Syria has already been translated into actual policies in Lebanon.<sup>2</sup> Iraq provided Syria's main Lebanese adversary, the Lebanese Forces, with new weapons and financial aid with a view to encouraging the Maronite militia to stand up to Syrian pressure. This was done publicly, serving as a notice that Iraq

<sup>1</sup>John Devlin, "Syria and Lebanon," *Current History*, February, 1988.

<sup>2</sup>For a particularly vicious Iraqi attack on Syria and Assad personally see, for instance, the article by Iraq's First Deputy Prime Minister, published on August 13, 1988, in *al-Thawra*.



intends to return to the Lebanese arena from which it was practically absent during the last eight years. This has already had an important adverse effect on Syria's position in Lebanon. The issue was taken up by the Syrian and Iraqi propaganda machines, each of them accusing the other of collusion with the United States and of undermining Lebanon's "Arabism."

## SYRIAN-PALESTINIAN RELATIONS

Since the early 1980's, Syria's policy in the Arab-Israeli conflict has been based on the doctrine of "strategic parity." According to this doctrine, Syria's military capability should be built up to the point at which it could contend with Israel militarily without other Arab partners. Syria does not rule out the possibility of a political settlement with Israel, but it rejects the notion of a settlement modeled on the Camp David Accords and intimates that given the circumstances of the Arab-Israeli conflict, an acceptable political settlement is most unlikely. Thus, in a most interesting speech delivered on May 12, 1988, President Assad explained that in the contemporary world might implements rights. Everybody speaks of rights, international conventions and resolutions, Assad said, "but you will find out that in every international event it is power that ultimately decides."<sup>3</sup>

From these premises flows a policy that comprises three principal elements:

- A ceaseless development of Syria's military power. Most notable in this context in 1988 was the revelation that Syria was trying to obtain medium-range guided missiles from China and was working to develop chemical warheads and other forms of chemical weapons.
- A limitation of the actual struggle against Israel. So long as strategic parity has not been achieved, Syria's own activity against Israel is limited to encouraging attacks against Israel and its "security belt" in southern Lebanon by cooperative Lebanese and Palestinian organizations.
- Active combat against Egypt and the Egyptian-Israeli peace treaty and a determined effort to prevent the application of a similar approach to the Palestinian issue. This effort has been directed primarily at Jordan and the PLO. While Syria maintains a normal if cool relationship with Jordan, it views PLO chairman Yasir Arafat and the PLO establishment as implacable enemies. The suspicion that Arafat is, in fact, interested in a political settlement with Israel is exacerbated by the personal animosity between Assad and Arafat and by Syria's conflict with the PLO in Lebanon.

<sup>3</sup>Radio Damascus, May 12, 1988, reported Assad's speech to Muslim men of religion.

<sup>4</sup>Radio Damascus, March 8, 1988.

It was against this backdrop that Syria emerged most dissatisfied from the Amman Arab summit in November, 1987. In addition to its other unpalatable aspects, the summit reinforced the positions of Jordan, Egypt and their conservative Arab partners. It apparently increased the likelihood of an effort to revive the notion of an Israeli-Jordanian-Palestinian settlement under American auspices with Egyptian, conservative Arab and possibly even Iraqi overt or tacit blessings.

From this point of view, Syria welcomed the outbreak and the initial development of the Palestinian uprising. The uprising undid the work of the Amman summit, and its impact was formalized in June, 1988, by the Algiers summit. During the early months of the uprising, the Syrian media and several spokesmen headed by Assad himself lauded the uprising and presented it as an "indication of Syria's outlook on the conflict with Israel."<sup>4</sup>

But as the uprising continued, Syria discerned new dangers that overshadowed the initial advantages. For one thing, the uprising, although it began spontaneously and was conducted by a local leadership, benefited the PLO and Yasir Arafat. In more concrete terms, the launching of United States Secretary of State George Shultz's new initiative in February, 1988, aroused Syria's fear that Arafat might accept a political settlement.

In April, 1988, a Syrian-PLO rapprochement was apparently in the offing, occasioned by the funeral in Damascus of Abu Jihad, Arafat's deputy, who had been killed in Tunisia. The underlying tension between Syria and the PLO was illustrated by Arafat's absence from the funeral April 20. Later, it was revealed that he had insisted on a meeting with Assad. Assad had declined, and Arafat was conspicuously absent. Eventually Assad agreed to a meeting, and Arafat went to Syria on April 24. The visit and the meeting generated a wave of speculation to the effect that Syria and the PLO were going to join hands and pursue a joint strategy in the conflict with Israel.

But this illusory rapprochement was short-lived, and in May, Syria's proxies, Abu Musa's secessionist faction of the Fath, drove Yasir Arafat's men from Sabra and Shatila and their other Beirut strongholds.

During the summer, Syria's suspicions that the PLO leadership was contemplating a radical change of strategy were exacerbated by indications that, at the least, a limited change was forthcoming. The PLO's constituency in the West Bank and Gaza was exerting pressure on the organization's leadership to convert the achievements of the uprising into political gains. It was largely in response to this pressure that the PLO began to float such ideas as the proclamation of Palestinian statehood and in-



dependence or at least the formation of a provisional Palestinian government. To the Baath regime, these ideas were most distasteful. It saw them as the first step in a process of negotiations that would take Yasir Arafat along the road traveled earlier by Egyptian President Anwar Sadat.

In August, the Syrian media and a variety of Syrian spokesmen intensified the propaganda campaign launched earlier, attacking Arafat and the PLO for their plans and warning them of the consequences. Thus the Syrian government's newspaper *ath-Thawra* of August 11 likened "the moves of the Palestinian right to those of Sadat." Arafat's quest for a political settlement based on the exploits of the uprising, the paper argued, was the equivalent of Sadat's abuse of the "October (1973) victory." Radio Damascus's "Palestine Corner" charged on August 8 that the idea of "a government in exile" was "a legacy of Sadat and the Camp David stipulations."

These were not only attacks and insinuations. They also implied a threat that, should the PLO enter a process of negotiation under terms unacceptable to Syria, the latter would resort to violence in order to stop it. In the event, Yasir Arafat and his colleagues decided to drag their feet. Their decision was primarily influenced by the need to wait for the American and Israeli elections and by divisions among the Palestinians themselves, but Syria's opposition was also a factor. As 1988 drew to a close, the latest phase of Syria's conflict with the PLO remained inconclusive. The conflict at this point was being waged primarily in the Lebanese arena.

## SYRIA AND THE SUPERPOWERS

One of the fundamental tenets of Syrian foreign policy under Assad was Syria's quest for a greater balance in Syria's international orientation. The Soviet Union has remained Syria's most important ally and source of external support, and since 1972 Syria has been Moscow's principal client in the Arab world. But this has been a cold and often uncomfortable relationship, and Assad has consistently tried to balance it by seeking (mostly without success) to maintain a dialogue on his own terms with the United States.

In 1988, the differences of outlook between Soviet President Mikhail Gorbachev's Soviet Union and Assad's Syria continued to mar their relations. Assad is suspicious of glasnost, ever anxious that a comprehensive Soviet-American agreement would be reached at Syria's expense. He is also critical of the Soviet-Israeli dialogue (modest as it is), of Soviet policy in the Persian Gulf, of the Soviet attempt to improve relations with conservative Arab regimes and the Soviet effort to protect the PLO.

The Soviet-Syrian differences surfaced still more clearly during the summer of 1988. In July, Yuri

Vorontsov, first deputy of the Soviet Ministry of foreign affairs, visited Damascus and met with Assad and with Faruq Shara, the Syrian foreign minister. The report, published on July 19 by Tass, the Soviet news agency, stated that "both sides expressed mutual satisfaction with the state of the ties of friendship between the Soviet Union and Syria," but it also reflected significant disagreements.

Yet these differences of opinion did not seem to affect the practical side, primarily the security aspects, of the Soviet-Syrian relationship. The Syrians granted the Soviet Union extensive base rights in the port of Tartus, while the Soviet Union continued to supply Syria with the sophisticated weapon systems that keep the doctrine of "strategic parity" a viable option.

The other side of Syria's complex relationship with the Soviet Union has been the consistent effort by the United States and Syria during the past 15 years to develop and maintain a dialogue. Assad recognizes the centrality of the United States position in the region and views a dialogue with Washington as essential for the success of both his regional policies and the effort to reduce his dependence on the Soviet Union. Washington, in turn, has recognized the importance of Syria's regional position and the failure of attempts to reconcile Syria to the essence of United States policies in the region. The United States has avoided a radical choice; it has not tried to destroy Syria's regional position nor has it, as a rule, tried to alter its own policies to make them acceptable to Syria. The result has been a mixed record.

This was the case in 1988. In February, when Secretary of State Shultz launched his initiative for a settlement of the Palestinian problem, his brief Middle Eastern tour included a stop in Damascus. The ground was prepared by the Assistant Secretary, Richard Murphy, who actually began his own tour in Damascus. Shultz himself met with Assad on February 27.

The meeting was symbolic rather than substantive. Shultz's plan was unacceptable to Syria but, in the event, it failed for other, more fundamental reasons. Syria expressed its opposition to the American approach but chose not to come out with a full-blown denunciation. There was no point in aggravating the United States over an unviable project. What mattered was the fact that by going to Damascus the secretary of state indicated publicly that, in his opinion, Syria could not be ignored or snubbed when a Palestinian settlement was negotiated.

There seemed to be better prospects for an American-Syrian understanding and cooperation over the issue of Lebanon's presidency. The issue appeared several times in 1988, but came to a head in

September when Murphy traveled to Damascus in order to reach an agreement on a candidate acceptable to both the United States and Syria. The visit took place against the backdrop of Syria's failure to secure the election of its first choice, Suleiman Faranjieh. Murphy's willingness to settle on another pro-Syrian candidate indicated that other issues were being discussed and that Syria may have promised to accommodate the United States in other matters to obtain this concession. One such matter would be the release of American hostages held by Hezbollah in Lebanon. Indeed, Syria invested energy during the following weeks to obtain the release of the American hostages, but its efforts were foiled by Iran and the radical Lebanese Shiites.

### SYRIA IN LEBANON

Reference has been made to the transition that occurred in Syrian foreign policy from the successes of 1984 to the difficulties of 1985. To a considerable extent, this was the result of the change in Syria's role in Lebanon. For three years, from the summer of 1982 to the summer of 1985, Syria fought to undo the consequences of Israel's invasion. Its chief adversaries were Israel, the United States and the Christian Lebanese who cooperated with Israel and the United States. To this end, Syria led a diverse coalition composed of Sunnis, Shiites, Palestinians, Druze and (some) Christians. Iran was Syria's ally in this campaign. In 1984 and during the first half of 1985, Syria won a series of impressive victories — the May 17 agreement signed in 1983 was abolished, the United States Marines withdrew from Lebanon and Israel withdrew in stages. Israel completed its withdrawal in June, 1985, leaving only a very small force with General Antoine Lahad's militia in southern Lebanon.

But victory meant a change of roles. In 1985, Syria was no longer the leader of a diverse coalition fighting a common foe. It returned to the familiar and uncomfortable position of an external power, enjoying partial hegemony and struggling with the tasks of keeping public order, effecting political reform, reconciling the diverse interests of its allies and, needless to say, advancing its own purposes.

It has been an arduous and, on the whole, an unsuccessful effort. The conflict with the PLO was soon revived and Syria's cooperation with Iran and the pro-Iranian Shiites organized in Hezbollah was transformed into rivalry. Allied with segments of the Shiite and Maronite communities, Syria had to contend with a broad front of enemies and rivals and, against its better judgment, was forced in February, 1987, to increase its military presence and move a sizable force into Beirut.

The indirect Syrian-Israeli conflict in Lebanon is

focused in the south, although Syria credits Israel with lingering influence on the course of events in Beirut. But on the whole the Syrian-Israeli conflict has remained marginal, and Syria has been preoccupied with the combined and separate challenges of its three main adversaries in Lebanon: the PLO, the radical Shiites organized in Hezbollah and the Lebanese Forces militia.

In January, 1988, the Syrian effort to drive the PLO out of its Beirut strongholds by using its allied Shiite militia, Amal, failed when Amal lifted its siege of these strongholds. Another Syrian proxy, Abu Musa, was more successful in May, but the PLO established itself in Sidon, on Lebanon's southern coast. Sidon is a predominantly Sunni town and in that local context the PLO has turned itself into a Sunni militia. It also seems to have left behind in Beirut an underground organization that has been responsible for some of the attacks against Syrian troops in that city.

Syria's relationship with Hezbollah reflects the complexities of both the Lebanese arena and the Syrian-Iranian alliance. Israel's virtual departure from Lebanon in 1985 removed a common foe and accentuated the divergence of outlooks and interests on the part of Syria and Iran. By February, 1987, Assad had reached the conclusion that unless he dispatched his army to Beirut his claim to be a source of order and stability in Lebanon would be seriously eroded. But he also knew that he could not afford a head-on collision with Hezbollah that would destroy his alliance with Iran. Assad settled for a compromise — a Syrian division was sent to Beirut but it did not enter the Dahya, the Shiite neighborhoods in southern Beirut that are the bedrock of Shiite fundamentalism in Lebanon.

A rift with Iran was thus avoided, but Syria's aims had not been accomplished. The taking of foreign hostages continued, supplemented by attacks on Syrian personnel and positions. The opportunity to complete the operation begun in February, 1987, presented itself in the spring of 1988, when Iran's military reverses in the Gulf War weakened its position in Lebanon. In May Assad's troops conducted a two-tier operation — first encircling the Dahya and then entering it without opposition. So far, though, the operation does not seem to have accomplished its goals.

There is little ambiguity in Syria's rivalry with  
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*Discussing Iran's future in the aftermath of the Persian Gulf war, our author says that "if moderation comes in Iran, it will probably come through the continued evolution of the [present] system, not from another revolution. . . . The reordering of Iran in this new postwar phase thus finds it at an important crossroads."*

## War and Revolution in Iran

BY GRAHAM E. FULLER

*Senior Political Scientist, The Rand Corporation*

WITH almost no warning or advance indicators, on July 18, 1988, Ayatollah Ruhollah Khomeini suddenly announced that he had decided to quaff "the bitter drink of poison"—acceptance of a cease-fire in the eight-year war with Iraq. Turning his back on years of unflinching commitment to the fall of his archrival, Iraqi President Saddam Hussein, in this stunning about-face Khomeini apparently threw into question almost everything the Islamic Revolution stood for. Was this the end of the Islamic Revolution as we know it?

Khomeini's turnaround stunned his own countrymen and the rest of the world. The senior leadership attempted to explain—in somewhat lame terms—the rationale behind the thinking to an astonished public. Not that the cease-fire was unwelcome. But what did it mean for the future of the revolution? Why now? One can cite important factors behind the decision—but many of them were hardly new:

- the physical exhaustion of the people who were suffering increasing hardships, shortages and deprivations;
- the dwindling number of "volunteers" who could be sent to the front—preventing the regime from launching the kind of "decisive" offensives against Iraq that had led to Iranian breakthroughs like the attacks on the Majnoon Islands and the Fao Peninsula in previous years;
- Iraq's increasingly effective use of air power against Iranian shipping, oil facilities and economic infrastructure;
- the psychological effect of Iraqi use of poison gas;
- the absence of any external allies or supporters in the world, while a growing informal coalition of the Arab world, the Soviet Union, the European states and the United States was determined to push Iran into a cease-fire;
- the increasing escalation and commitment of the United States military presence in the Gulf, which Iran apparently could not deter;

- increasing divisions within the Iranian leadership about the wisdom of continuing the war in the face of other priorities;
- an increase in major Iranian military setbacks on the battlefield in the first half of 1988.

But for years the zeal of the Islamic Revolution had apparently suspended the normal limits of human exhaustion. A secularist West, already profoundly uncomfortable with even the concept of an Islamic Republic, no longer seemed sure that the usual yardsticks of military strength and weakness were operative in the radicalized climate of a Shiite revolution. Few observers had guessed that Iran would hold out so long. Why a cease-fire now?

No one can foresee the unique chemistry or particular timing that brings about a revolution—or a key government decision—today, as opposed to yesterday or tomorrow. Despite battlefield setbacks, in the end the decision to accept a cease-fire was political. It could have been taken years earlier, or perhaps a year later. What factors impelled the old man suddenly to see the same factors in a new light?

In basic terms, Khomeini faced a stark choice between pursuing an increasingly unattainable revolutionary victory over Iraq and the survival of the Islamic Revolution itself. Indeed, this choice was not simply one of "moderates" versus "radicals." Radicals themselves had been legitimately divided over the war for many years. To some radicals, the war against Iraq had become the ultimate expression of revolutionary Islamic fervor, the export of the revolution by armed force against a secular, Arab nationalist regime that brutally suppressed its own Shiite majority. But to some clerics the Islamic Revolution was at heart a domestic Iranian affair—the creation of a new Islamic society.

Reportedly, in the days preceding the cease-fire the Ayatollah had been informed by all his commanders that victory was impossible without massive strategic arms acquisitions from abroad and several years of preparation—clearly unrealistic conditions. The cost of continuing was too high.



And all along Iran had been running the risk that the war might ultimately bring into jeopardy the very revolution itself. Indeed, for some Iranians the war had in fact become the primary vehicle of the revolution.

An additional factor probably haunted the top leadership: the prospect that the Ayatollah might die before the war was over, locking his successor into war policies blessed by the founder of the Islamic Republic.

The debate over the war thus had very important overtones. If, in fact, the war had become the primary vehicle of the revolution—its very expression and fulfillment—then acceptance of the cease-fire could not have been other than “bitter poison.” In fact, to many Western observers Iran’s acceptance of the cease-fire was taken as *prima facie* evidence that Iran had lost the war and that the revolution itself was now in question.

### WHO WON THE WAR?

An answer to this question is far from academic. The answer says a great deal about where we believe Iran and the region are headed in the years ahead. There are two alternative theses:

The first thesis is that Iraq won the war and Iran lost it—on the battlefield. Iraq successfully withstood the onslaught of the Iranian revolution and blunted it. Iran is no longer in a position to export the revolution and must recognize its failure, weakness and isolation. The future of the clerical regime is in question. Iraq is now the preeminent power in the Persian Gulf.

The second thesis holds that Iran did not “lose” the war. It accepted a cease-fire in a deteriorating military situation after recognizing that its ultimate military goal, vanquishing Saddam Hussein, could not be realized. For eight years, Iran had fought a war it did not start. It came very close to defeating Iraq on several occasions, with virtually no external support, against an Iraqi army that was between five and seven times superior in all categories of weapons except manpower.

In this author’s judgment, there was no clear winner or loser in the war. By the end of the war, Iraq had the military edge but it could not have “won” the war. In broader terms, the war ended in stalemate. Iraq’s unintended self-sacrifice—and ultimate service—to the regime was accomplished by its distraction, absorption and ultimate containment of Iran’s youthful revolutionary zeal, until Teheran’s military drive faltered and the threat to its neighbors had cooled. Iraq emerged tactically superior, but it won no mandate for leadership of the Gulf and it is already fumbling its postwar negotiations and international diplomacy.

In longer-range strategic terms, however, Iran

probably emerged as the stronger force in the region. Unlike Iraq, Iran leaves the war with almost no foreign debt. It maintains a resilient society that showed itself capable of willing sacrifice. Iran’s ability to hold out for so long—indeed, to shake the gates of Baghdad—with so few resources suggests that Iran, once rested and rearmed, with three times the land mass and population of Iraq and often instinctively more skillful in the diplomatic game, will be the dominant power in the region.

Iran’s clerical regime tapped unanticipated reserves of national strength and commitment, a willingness to fight for an abstract cause, all the while promising the people only blood, sweat and tears. Where Iraq attempted to veil the war and its losses, Iran seemed to revel in its hardships and the martyrdom in the name of the holy cause.

Iraq is politically a closed book; the inner deliberations of the Baathi high command are immured from the public eye, and the population avoids foreigners because of fear of the ubiquitous security services. Iran, by contrast, has become a sprawling, undisciplined society where major debate in the Majles over the issues of the day is regularly aired and high officials engage in a bruising hurly-burly as they seek to implement the Delphic pronouncements of the Imam. In private, Iranians are frank to express their opinions to outsiders. Iran is hardly a democracy and is still ruthless against its political enemies—but it is increasingly less inclined to show the characteristics of a police state. In sum, Iran has probably emerged as the stronger society, despite the excesses and follies of the revolution. Most Persian Gulf states will draw similar conclusions and have already been quick to improve ties with Teheran.

To those in the Islamic Republic who opposed the continuation of the war—for a variety of reasons—the cease-fire offers new opportunity to move toward the “real revolution.” Indeed, one of Iran’s biggest mistakes was a continuing inability to establish its ideological priorities during the war. Defense of the state from Iraqi attack was the first order of business. But Iran then tried to overthrow the Iraqi Baathi regime in the process. It aspired both to win away the Arab Persian Gulf states from support of Iraq and to attempt to export its revolution to the whole Persian Gulf. This tactic only ensured Persian Gulf state cooperation with Iraq. Not content with that situation, Iran also decided to take on the American “Great Satan” as well. A declaration of war against the world, with limited domestic resources, was not a formula for victory. It was finally time to tend the Islamic revolutionary fires at home.

The war came early to the Islamic Revolution. The regime had barely had a chance to sort out its domestic philosophies and priorities before the war



took center stage. Indeed, the absence of war will place new pressures on the regime and will probably smoke out domestic differences suppressed during the conflict.

## A NEW REVOLUTION?

The struggle for power is the first issue. Who will don the Ayatollah's mantle once he passes from the scene? The Grand Ayatollah Hussein Ali Montazeri has been formally named as the heir apparent to Khomeini as Ruling Jurisprudent and cannot be easily challenged in this capacity. Lacking the stature and charisma of Khomeini, however, Montazeri will at best serve as a figurehead, a symbolic leader. Real political power is likely to be centered elsewhere—even perhaps with Montazeri's concurrence. Politically, the Speaker of the Parliament, Hojatolislam Hashemi Rafsanjani, has become the undisputed figure of power.

Rafsanjani was long regarded as the single strongest figure in the regime after Khomeini. His power was further consolidated with his appointment in June, 1988, as commander in chief of the armed forces, a move obviously made to help shore up Iran's fading military capabilities. His position as commander was probably of major importance in orchestrating the final negative, decisive report to the Imam about Iran's bleak outlook at the front.

Factional struggles will continue as each leader seeks to establish a position of advantage before Khomeini's departure. For Rafsanjani it was probably a step of supreme importance to gain Khomeini's reluctant blessings on the cease-fire. Had he not, Rafsanjani would have found himself vulnerable to political radicals if he had tried to end the war after Khomeini's death—a seeming betrayal of the Ayatollah's legacy.

In the event, Rafsanjani gained more than the Ayatollah's assent to a cease-fire. He also persuaded Khomeini to weigh in on the question of postwar reconstruction policy—an issue that encompasses many of the regime's broader policy choices. Reconstruction involves much more than rebuilding the country. It opens up debate central to the politics of the Islamic Republic: what is the proper role of free enterprise, private capital and foreign investment in the economy of Iran? The Ayatollah has supported the view that reconstruction is an urgent priority in which the welfare of the people—and especially the deprived—is at stake, re-

quiring the use of all appropriate means of redress. President Hojatolislam Ali Khamenei addressed the issue more clearly:

To be able to reconstruct the country within a reasonable and acceptable time we need more financial resources, technology and know-how than our domestic resources and technology can provide. And we will obtain this from foreigners. However, the management of all these will be handled by us. . . . We know all too well how to prevent foreigners from infringing on our economic independence. . . .<sup>1</sup>

Khamenei's remarks clearly indicate disagreements within the leadership on these questions—particularly in relation to Prime Minister Mir Hossein Mousavi. For many years, Mousavi has been associated with a more statist approach to economic issues, one that seeks to limit sharply the role of private capital in internal investment and foreign trade. Mousavi has been retreating in the past several months, however. He attempted to resign as Prime Minister in September—at least as a gesture of protest—because many of his key Cabinet choices, including a number of radicals, were rejected by the Majles. He also complained that formal authority over a whole range of issues, especially in foreign policy, had been taken out of his hands. Mousavi was sharply rebuked both by the Ayatollah and by President Khamenei for his public resignation, Khamenei writing, “Were it not for your eight years of work, I would have said that you opposed the regime, and that the people should clarify your position.”<sup>2</sup>

Other speeches by Iranian leaders indicate that debate is continuing, but moderate elements seem to be prevailing on the need for flexibility and a nonideological approach to reconstruction. There is a strong emphasis on improving the welfare of the people. Shortly after the cease-fire, heir apparent Ayatollah Montazeri, long sympathetic to the common welfare, stated:

We should . . . adopt a compassionate and sympathetic approach toward these people, particularly the dispossessed, and the low-income and deprived strata who have many dependents but who earn little and endure life's pressures and its hardships.<sup>3</sup>

This emphasis probably reflects two concerns: the general predisposition of the clerical regime to emphasize the well-being of the people, especially the “deprived,” and a concern that the stability—indeed, the legitimacy—of clerical rule depends heavily on meeting the people's needs after the long and draining war. Indeed, such clerical concerns may reflect the regime's own awareness of public weariness and resentment, particularly after the failed war policy.

<sup>1</sup>Friday prayer sermon by President Khamenei, Teheran Domestic Service in Persian, September 16, 1988, in Foreign Broadcast Information Service, *Near East/South Asia* (hereafter cited as FBIS), September 19, 1988.

<sup>2</sup>FBIS, October 12, 1988, quoting *Le Monde* of October 8, 1988.

<sup>3</sup>Ayatollah Montazeri quoted August 3, 1988, on Teheran Domestic Service, FBIS, August 4, 1988.

The last several months have not been kind to the radicals. In addition to the Prime Minister's humiliation and loss of control over broad areas of policy, the Majles itself has been tough on radical Cabinet members, rejecting several ministers and indicating that several others, like hard-liner Interior Minister Ali Akbar Mohtashami, are not popular. Policies have been more moderate. But there are also pressures on the pragmatists, who will have to show some demonstrable results—especially in social programs—if they are to avoid considerable public dissatisfaction. The regime has generally demonstrated a fairly sensitive feel for the public mood but will have to produce results in a limited time frame. Heightened postwar expectations and continued incompetence in the administrative and economic fields are a recipe for major public dissatisfaction and will perhaps open up more virulent clerical factionalism—even paving the way for one of Iran's classic men on horseback.

Domestic imperatives will thus strongly predetermine both domestic and foreign policy in the near future. Iran's recent international trade fair attracted a large number of countries from around the world (including the Soviet Union) with an interest in developing better trade relations in the postwar period. While some Iranians may be unrealistic in their hope for a reconstruction bonanza, Iran's long-term economic potential will remain of interest to many countries and should increase Iran's interchange with them.

An important article in Teheran's *Kayhan* newspaper, however, points out that "Iran needs to increase its defense spending in order to compete with Iraq's heavy military spending."<sup>4</sup> This undoubtedly represents a consensus among nearly all Iran's leaders that Iran must build its military with an eye to the future. The Ayatollah, perhaps reflecting momentary slippage toward fantasy amid a generally practical approach to internal affairs, recently stated that Iran must "achieve the true and realistic goal of the 20-million [sic] strong army."<sup>5</sup>

## NEW REVOLUTIONARY POLICIES

Iran's economic needs, coupled with its recent efforts to improve its ties with nearly all the countries of the world, bespeak more realistic priorities. Domestic rigidities have also given way on small but symbolic items like women's clothing, classical music, and chess. Are we to conclude, then, that the failure to win the war has in fact meant an end to the revolution overall? By no means.

First, the clergy is determined to remain in power; no other force has emerged that seems to be

<sup>4</sup>*Kayhan*, August 18, 1988, in FBIS, September 19, 1988.

<sup>5</sup>Khomeini, September 17, 1988, on Teheran Domestic Service, FBIS, September 19, 1988.

in a position to challenge it. The formidable Islamic Revolutionary Guard, the clergy's praetorian guard in the capital, which has often been a law unto itself, is increasingly moving under the control of Rafsanjani. As commander, Rafsanjani is very unlikely to permit the Guard to constitute an independent military force capable of threatening the regime in Teheran. The regular military at the front is the only other force able to challenge the regime. Teheran will probably keep this army at the front for some time, in both reconstruction and border guard duties. Some of it may be demobilized as well. The regime will insist on firm civilian control of both military institutions.

Second, the regime needs to maintain the Islamic Revolution as an essential part of its legitimacy. Its leaders still hope that the regime can be made into a model of Islamic government for the Muslim world. Prerequisites for this model are 1) a state effectively dedicated to the welfare of the masses with a functioning and productive economy; and 2) a state free of compromising foreign influence. In Iran, the specter of foreign control looms large in the national psyche, a paranoia that springs from over a century of abject Iranian subordination to European domination. Iran is determined to demonstrate its independence.

The Islamic Republic must also creatively implement Islamic law. Although a theoretical framework of Islamic law exists, few states have had much success in applying Islamic law to all facets of their own polity—Saudi Arabia and Pakistan included. Iran must demonstrate that Islamic rule is both effective and compatible with technical education, modern industrial conditions, an active female workforce, and the development of modern international financial institutions. The development of land reform, agricultural policies, education policy and the arts will also need attention. The Islamic Republic has not had a good record in any of these areas. For a long time, it could point to the pressures of war—but no longer. The regime must deliver.

## FOREIGN POLICY

Foreign policy is equally challenging. Iran cannot permit itself to slip into its former isolation and its position of pariah state. Careful calibration of its priorities should help, because Iran cannot afford to

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*"As the intifada marked its first anniversary Jordan was at a critical crossroads. Time will determine King Hussein's true intentions in severing links to the West Bank; and the vicissitudes of Palestinian and Israeli politics and the intifada will have an important impact on whether Jordan remains a central actor in the Arab-Israeli conflict."*

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## Jordan and Reverberations of the Uprising

BY ROBERT SATLOFF

*Fellow, Washington Institute for Near East Policy*

**F**EW states have seen their hard-earned political gains and well-deserved diplomatic stature dissipate as quickly as did the Hashemite Kingdom of Jordan in 1988.

In November, 1987, Jordan was riding the crest of a political and diplomatic wave. With the Persian Gulf War raging, Jordan successfully engineered an Arab summit meeting that ended in amity, not animosity. Through its good offices, compromise (tentative though it was) was achieved among avowed adversaries on the primacy of pan-Arab support for Iraq and the Persian Gulf statelets in the war with non-Arab Iran. Celebrating three and one-half decades on the throne, King Hussein was feted in newspapers throughout the West as the most sagacious and insightful Arab statesman. Through it all, the Kingdom's relations with Israel evinced more coordination than conflict and the PLO (Palestine Liberation Organization) chairman, Yasir Arafat, the King's historic *bête noire*, was a marginal and often forgotten player.

One year later, all has changed. The Palestinian uprising against Israeli rule, combined with the cease-fire in the Persian Gulf War, radically reversed Jordan's good fortune. Suddenly, Palestine was restored to its preeminent position on the Arab agenda, forcing tiny Jordan back into its old role as a weary participant in the Arab conflict with Israel and escalating the even more deadly conflict among the Arabs themselves for dominance in the confrontation with Zionism.

Throughout the mid-1980's, Jordan's regional policy focused on two objectives: subordination of the PLO to Jordan's peace-process policy and support for Iraq in its war with Iran.

Jordan was Iraq's earliest and most consistent supporter. King Hussein considered himself to be a front-line fighter in the battle against Teheran's form of militant Islamic radicalism, and he offered Baghdad what meager resources were at his disposal, most important, the use of the Red Sea port of Aqaba for sea-land transit of war matériel. Second, after the formation of Israel's National Unity Government in September, 1984, and the accession of

Labor party leader Shimon Peres to the prime ministry, Jordan saw an opportunity to exploit the PLO's weak post-Lebanon war position and to move forward in the peace process. The King, therefore, worked to subordinate the PLO to his vision of accommodation with Israel.

In order to realize these twin objectives, Amman's strategy demanded highly contradictory and dangerous tactics. Jordan was forced to be a friend to Egypt; an ally to Iraq; a suitor to Riyadh; and a tacit partner with Israel. By early 1985, Jordan had successfully forged sound diplomatic relations with this wide-ranging constellation of competing forces and was even willing to withstand Syrian opposition to its peace process policy (periodically registered in assassinations of Jordanian diplomats) as the price for movement on other fronts.

Relations with the PLO remained troubled and tense—but this, of course, had always been the normal state of affairs between the two claimants for the allegiance of the Palestinians. Unlike the other Arab states, for whom the Palestine issue has been largely one of foreign and defense policy, for Jordan it goes to the heart of the state's existence. By virtue of its geographic position (hundreds of kilometers of border with Israel) and demographic composition (a Palestinian majority population in the East Bank), the Palestine question consumes the lion's share of Jordanian political life. Both Jordan (which governed the West Bank as an intrinsic part of the Kingdom from 1950 to 1967) and the PLO (recognized by the Arab League in 1974 as the "sole, legitimate representative of the Palestinian people") lay claim to the allegiance of the majority of the world's Palestinians. Indeed, since the PLO's inception nearly 25 years ago, Jordan and the PLO have locked horns in often violent competition for the loyalty of—and control over—the Palestinians.

In late 1984, Hussein sought to enlist PLO chairman Arafat as a junior partner in a peace initiative that would lend Hussein the legitimacy, in the face of his inter-Arab antagonists, to permit him to negotiate with Israel. For his part, Arafat viewed



coordination with Jordan as a way to resurrect the PLO's political fortunes from the ash heap of Lebanon. Although peace talks with Israel were clearly not on the PLO's agenda, Arafat concluded that remaining a key player in the peace process was an important element in reviving the PLO's political standing and in maintaining close territorial links with his principal constituency—the residents of the West Bank and the Gaza Strip.

On February 11, 1985, Hussein and Arafat reached an accord on political coordination based on the concept of a future "confederation" between Jordan and Palestine. The nuts and bolts of their coordination was decidedly vague, but each party believed it gained what it wanted: Jordan gained Arafat's proxy to push forward in a peace process strategy with Israel and the United States, and the PLO gained veto power over Hussein's plans.

Over the course of 1985–1986, it became clear Hussein had not come close to purchasing PLO subordination, especially on the critical issue of PLO acceptance of UN Security Council Resolution 242. In early 1986, Hussein tried once again to convince and cajole Arafat into an unequivocal commitment to Resolution 242, but the PLO chairman refused. In disgust, Hussein dramatically broke with the PLO in February, 1986, saying that the PLO leadership was more interested in institutional control than in liberating the West Bank and Gaza.<sup>1</sup> One year after reaching their tenuous *modus vivendi*, Jordanian-PLO relations returned to their natural cold war state.

At the time, Hussein's disgust was not limited to Arafat. He also believed that he had been duped by his American allies. In May, 1985, Hussein traveled to Washington carrying the February 11 accord as a sign of his willingness to take risks for peace; in return, he sought economic and military assistance. Though the United States Congress approved an emergency \$250-million economic aid

appropriation for the Kingdom, it balked at the massive arms request, which included F-16 aircraft and mobile I-Hawk air defense missiles. United States President Ronald Reagan, who had promised his explicit support for the arms deal in May, failed to deliver in October.<sup>2</sup> Hussein felt deceived by the United States and eventually turned elsewhere for military aid.<sup>3</sup>

## BUILDING ARAB CONSENSUS

Rebuffed in his high-profile, high-risk strategy of publicly and simultaneously courting Israel, the PLO and the United States, the King changed tack. Toward his fellow Arab leaders, he sought the less dangerous route of inter-Arab consensus. Israeli Foreign Minister Peres would have the responsibility for gaining American support for some form of international peace conference that would lend Jordan the safety and legitimacy to negotiate denied by the PLO. Meanwhile the King opted for the unspectacular but potentially critical policy of tacit coordination with the Israelis in competing with the PLO for the hearts, minds and wallets of the West Bankers and Gazans. The announcement of a \$1.3-billion West Bank development plan (June–August, 1986), the appointment of West Bank Arab mayors and municipal councilmen (Winter, 1985/1986), and the opening of the Cairo-Amman Bank in Nablus (November, 1986) were all elements of a strategy to show the Palestinians that though Arafat could provide revolutionary fervor, the King could produce results.<sup>4</sup>

The main focus of Hussein's activity in this period, however, was the inter-Arab front. Jordanian-Syrian relations began to thaw in November, 1985; within months, the two heads of state exchanged visits, signed a series of technical, trade and consular agreements and agreed on the long-heralded construction of the al-Wahdah Dam (Syria will pay nothing toward construction but will receive 75 percent of the power generated).<sup>5</sup> After bearing the brunt of Syrian-backed terrorism throughout 1984–1985, Hussein and his Prime Minister, Zaid Rifai, accepted the fact that to work openly against Syrian interests—which, in Syrian President Hafez Assad's eyes, included pursuing any peace process not specifically under his auspices—was to court disaster. Since then, close consultation between Amman and Damascus—unthinkable at the beginning of the 1980's—has become the rule, not the exception. (Because Syria was Iran's foremost Arab ally, Jordan's achievement was no easy feat.)

At the same time, Hussein built ties with Assad's two Arab nemeses, Egypt and Iraq. Jordan worked diligently toward broadening bilateral cooperation with Egypt and expanding the scope of inter-Arab

<sup>1</sup>Amman Television Service, February 19, 1986; in Foreign Broadcast Information Service–*Near East/South Asia* (hereafter cited as FBIS), February 20, 1986.

<sup>2</sup>See *United States Department of State Bulletin*, July, 1985, p. 66.

<sup>3</sup>Eventually, Jordan decided against Soviet offers of sophisticated aircraft at bargain-basement prices (made, for example, during Hussein's visit to Moscow in December, 1987) and opted instead for a mix of British and French planes, financed largely with Saudi assistance. Hussein's displeasure with United States policy was exacerbated by disclosures of the Iran arms deal, in which Washington sold Tehran anti-aircraft systems refused to Amman.

<sup>4</sup>Amman's efforts dovetailed with American and Israeli projects to improve Palestinian "quality of life." Though these programs were ostensibly devoid of political meaning, their *raison d'être* was, at least in part, to complement Jordan's efforts to build support among the West Bankers and Gazans.

<sup>5</sup>See, for example, *Middle East Economic Digest (MEED)*, October 21, 1988, p. 29.



ties with Egypt's President Hosni Mubarak. Moreover, he offered to serve as the conduit for the burgeoning Egyptian-Iraqi arms supply network that was critical to the Iraqi war effort. Through King Hussein's efforts, an axis of moderate Arab capitals (Cairo-Baghdad-Riyadh-Amman) began to take shape.

Perhaps Jordan's most important achievement in this period was its role in finding common ground between the moderate Arab states and Syria. In this regard, the arena was not the Arab-Israeli issue but the Persian Gulf War, an issue in which Syria stood out for being less—not more—"Arab" than the other Arab states. Hussein continually tried to bring Assad and Iraq's President Saddam Hussein together for face-to-face attempts to mend their feud, to wean Syria away from its alliance with Iran, and to act as middleman for Saudi efforts to "purchase" Syrian neutrality.<sup>6</sup> But it was only after the Mecca riots of August, 1987, when Saudi Arabia and the Arab Gulf statelets themselves were shocked into standing four-square behind Iraq, that pressure began to build on Syria and the possibility of a united Arab front against Iran began to emerge.

In November, 1987, King Hussein hosted an Arab League summit meeting whose principal purpose was to formalize the Arab world's near-unanimity on the Persian Gulf War. At the Amman summit, Syria acceded to a resolution strongly condemning Iran for holding Iraqi territory and for failing to accept the United Nations formula for a Gulf cease-fire, Security Council Resolution 598.<sup>7</sup> Second, Syria acquiesced in a resolution permitting member states to restore bilateral diplomatic relations with Egypt; Assad refused, however, to permit Egypt's formal reentry into the Arab League.

What was most significant about the Amman summit, and what would haunt King Hussein only a month later, was the Arab disinterest toward the Palestinian question. Arab-Israeli issues were of secondary importance; the Jordanians apparently went to great lengths to snub Arafat personally. In his postsummit press conference, Hussein expressed little remorse at the fact that he and Arafat

had "not had the chance to sit and talk any substance yet."<sup>8</sup>

The Amman summit, with Hussein in the starring role, was a reaction to the Gulf crisis; the status quo was perceived to be threatened by Iranian radicalism and, at long last, the Arabs responded. But on the Arab-Israeli front, stasis, not urgency, was the order of the day. Though there had been important developments in the peace process, they had constituted more "motion" than real "movement."

In April, 1987, Hussein and Peres had reached a "secret" agreement in London outlining the framework for a proposed five-power international peace conference.<sup>9</sup> But in a showdown with his National Unity Government partner and rival, Israel's Prime Minister Yitzhak Shamir, Peres could not win Cabinet support for the plan and failed to convince United States Secretary of State George Shultz to visit the Middle East and lobby on behalf of a peace conference. The plan failed. Then, in October, 1987, Secretary Shultz suggested that Hussein's desire for "international auspices" to open negotiations might be met via a meeting with Shamir on the sidelines of the upcoming United States-Soviet summit. Hussein refused.

Meanwhile, on the West Bank, Jordan's plan to bolster popular confidence in the Hashemites chugged along at only half-speed. The Kingdom's multibillion dollar development scheme for the territories received little international support and only a trickle of the promised money found its way into West Bank projects. The March, 1986, murder by a Damascus-backed terrorist group of Zafir Masri, the recently appointed pro-Jordanian mayor of Nablus, cast a chill over plans for "an alternative local leadership" to assume political responsibility for the Palestinians. Moreover, American and Israeli contributions to "quality of life" programs fell far short of the critical mass needed to show widespread political support. In June, 1987, the twentieth anniversary of Israel's occupation of the West Bank and Gaza passed with few outbursts of violence or demonstrations. Thus most observers concluded that the West Bank situation, though potentially explosive, would remain quiet for the foreseeable future.

For Jordan, then, November, 1987, was a political and diplomatic high-water mark. For the first time in the Kingdom's history, relations with all surrounding states were on solid footing. The border with Israel was quiet; the peace process was dormant, and so, it seemed, were the Palestinians. Even the Kingdom's moribund economy, suffering from the region-wide oil-glut recession, showed some bright signs, like a decrease in the trade deficit, a firm Jordanian dinar and a much-welcomed \$300-million Japanese government devel-

<sup>6</sup>Assad and Saddam Hussein met near the confluence of the Jordanian-Iraqi-Syrian borders under Jordanian and Saudi auspices in late April 1986. See *Wall Street Journal*, May 6, 1987.

<sup>7</sup>Syria was reportedly promised up to \$2.5 billion by Saudi Arabia and the Gulf states for joining in the anti-Iran resolution. See *al-Tadammun* (London), November 21, 1987; cited in FBIS, November 25, 1987.

<sup>8</sup>Amman Television Service, November 11, 1987; cited in FBIS, November 13, 1987.

<sup>9</sup>The "secret" agreement was leaked to the world media virtually overnight. See, for example, Jerusalem Domestic Service, April 23, 1987; *The New York Times*, May 8, 1987, May 12, 1987; and *Washington Post*, May 8, 1987.

opment loan.<sup>11</sup> On the whole, Jordan's political and economic prospects looked brighter than they had in years.

## JORDAN AND THE UPRISING

Jordan's good fortune was dashed on the rocks of the Palestinian uprising. Overnight, the Palestine issue was returned to the premier slot on the inter-Arab agenda; the carefully woven Arab unity, built on common antipathy toward Iran, quickly fell apart under the strains of arguing over Palestine. To many Palestinians, the uprising was as much a confrontation against Israeli rule as it was a rejection of Hashemite paternalism and of the tired rhetoric of the PLO establishment. Although Hussein and Arafat were caught unaware, Arafat was able to exploit the uprising for his own political resurrection, while Hussein had to stand and watch.

For Jordan, the *intifada* posed a set of conflicting challenges. Hussein's first worry was the threat that the *intifada* would spill over into his Palestinian population, undermining the fragile Jordanian-Palestinian coexistence carefully stitched together since the 1970-1971 civil war with the Palestinian fedayeen. But if the answer to that problem was surgically to sever the East Bank from the West Bank, it would only accentuate his other problem, the specter of political irrelevance. For more than 20 years, Jordan has exploited its peculiar demography and its proximity to Israel to carve out a strategic niche as the indispensable Arab state for talking peace. Jordan has reaped handsome rewards by jealously guarding its role as the potential peacemaker. Simply to step aside and acquiesce in this display of Palestinian free will would be to surrender one of the Kingdom's most powerful political assets.

In its early stages, Jordan weathered the *intifada* with a mix of inter-Arab pliancy and firmness on the domestic front. During the first days of the violence, Jordan—along with Syria and the PLO—refused to admit the novelty of the uprising. These outside parties recognized that innovation in the Palestine resistance movement would mean that the Palestinians' external patrons were inadequate. Once the uprising had proved its staying power in the face of Israeli opposition, the King joined the pan-Arab chorus of support.

In mid-January, 1988, the uprising began to take on a political dimension, much to Jordan's relief. In

<sup>10</sup>To this day, one of the mysteries of the Shultz Plan is why the Secretary made the peace process dependent on the convening of an international conference, knowing that Shamir—for both ideological and political reasons—could not possibly acquiesce. The only regional leaders to endorse the Shultz Plan were Israeli Foreign Minister Peres and Egyptian President Mubarak.

Amman's eyes, only a newly invigorated, United States-led peace process could help restore the Kingdom's dissipating political capital and sidetrack Arafat's Lazarus-like rehabilitation. On January 30, American diplomatic troubleshooter Philip Habib visited Amman to sound out the King on refashioning the framework for peace negotiations. The three main points the Jordanian pressed on Habib were that:

- there must be an international conference as a prelude to any negotiations, not Camp David-style direct talks;
- negotiations on "final status negotiations" should not be dependent on the completion and implementation of "transitional arrangements";
- any negotiations must be based on the principle of exchanging "land for peace."

On each of these points, Jordan's position was at odds with the position of the Israeli Prime Minister and the first two points ran counter to long-standing United States policy. Yet when Secretary George Shultz delivered his peace proposal to the region's leaders in early March, he had apparently been won over by Hussein.

The main elements of Shultz's proposals were:

- the convening of an international conference based on UN Security Council Resolutions 242 and 338 on April 15, two weeks before the start of talks on transitional arrangements between Israel and a Jordanian-Palestinian delegation;
- the opening of final status talks seven months later, regardless of the success or failure of transitional steps toward negotiations;
- the implementation of final status arrangements after a transitional period of three years.

Hussein, like Israeli Prime Minister Shamir, was cordial toward the Shultz proposals, but he was noncommittal. Both leaders welcomed the Shultz mission, because of the prospect it held out of restoring some semblance of normality to the dangerously fluid situation, but they rejected the Shultz plan. Hussein, who had much kinder words for the plan than Shamir, was, in the end, forced to reject it, lest he stand again in the face of PLO and Syrian opposition. The lesson of 1985 had been learned.<sup>10</sup>

Once it became clear that the Shultz plan was a diplomatic nonstarter, at least partly because the PLO prevented any form of Palestinian participa-

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*"Key changes in Iraq's regional policy precipitated by the [Iran-Iraq] war apparently will not be reversed by the cease-fire. Rather, the war's end has accelerated some changes. . . . [But] securing a stable peace in the Persian Gulf will not be easy. It may not even be possible."*

## Iraq's Changing Role in the Persian Gulf

BY LAURIE MYLROIE

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**N**EARLY nine years of bloody conflict succeeded only in returning Iran and Iraq to the status quo ante. This might suggest that Baghdad will also return to its prewar policies. Perhaps there is also a tendency to assume that if the war brought changes, the war's end will reverse them. Yet wars, particularly prolonged wars requiring mass mobilization, often generate enduring change, as the most cursory reflection on the impact of World Wars I and II suggests.

"Whither Iraq" is a critical question. Iraq has the largest, most experienced army in the Middle East and has learned to use its chemical weapons. It has one of the most authoritarian regimes in the region, and its government is ruthless. Such a regime is often associated (justifiably) with an equally harsh foreign policy. Most regimes that arose after twentieth century revolutions established dictatorships at home and tried to justify themselves by exporting their revolutions. They tended to make alliances with one another on the regional level and with the Soviet Union on the international level and were, in any case, hostile to United States influence and United States policy.

For the most part, that was Iraq's position before the war. Yet key elements of Iraqi policy have changed, and its position today is contradictory. There is a dictatorship at home; but Iraq's regional policy is not radical and there are ambiguities in its dealings with the superpowers.

Iraq's war with Iran produced a far-reaching regional realignment. Today, Iraq is closely aligned with the moderate Arab states, particularly Jordan and Egypt, which supported Baghdad during the war. Conversely, Iraq's hostility toward the Arab radicals, above all Syria, which supported Iran, is apparently unremitting. The change in Iraq's alignment has implications for its posture toward the Arab-Israeli conflict, entailing an end to Iraqi rejectionism. To understand the far-reaching changes in Baghdad's regional policy, it is necessary to consider Iraq on the eve of the Gulf War.

Before the war, Iraq tried to advance its hegemony by bringing the states of the area under its umbrella in a "nonaligned" posture, hostile to

United States influence and opposed to a settlement of the Arab-Israeli conflict. That was evident in late 1978, when the Iranian revolution coincided with the conclusion of the United States-sponsored Camp David accords. The fall of Shah Mohammed Riza Pahlavi gave Iraq an apparent opportunity to replace Iran as the dominant power in the Gulf. Simultaneously, the Camp David accords unnerved the government of Syria. Rejecting the possibility of following Egypt into peace, Syria was left to face Israel alone.

In the fall of 1978, Baghdad skillfully exploited the vulnerabilities of all its neighbors. It first concluded a "unity agreement" with Damascus, suddenly ending years of bitter feuding between the two Baathist regimes. Almost simultaneously, in a tactical maneuver, Iraq moderated its uncompromising extremism, shifting to a more centrist position to bring Saudi Arabia under its wing. Caught between the threat from Iran's Ayatollah Ruhollah Khomeini across the Persian Gulf and the emerging Baathist behemoth to the north, Saudi Arabia opted to appease Baghdad rather than confront the twin threats of Islamic fundamentalism and Arab radicalism simultaneously. Appeasing Baghdad meant, above all, Saudi concurrence in ostracizing Egypt after it made peace with Israel.

Iraq's main objective was to remove a major Arab rival, while bringing the other Arab states into a posture consistent with Iraq's own. Iraq thus wrecked all hopes for extending the Camp David accords. In its own terms, this was masterful diplomacy, because neither the rapprochement with Syria nor the Saudi accommodation to Baghdad had been a foregone conclusion. From a United States perspective, the reemergence of that position in Baghdad after the Gulf War's end should be greeted with apprehension.

But that is not happening. Instead, the changes in Iraqi policy introduced by the Gulf war accelerated as the August 20 cease-fire approached. Iraqi policy began to shift in the spring of 1988, as it improved its military position, ending the many years of a static, defensive posture. Before Iraq's April 15 recovery of the strategic Fao Peninsula, it



seemed to be losing a war of attrition. Fao's recovery suggested that Iraq would not be defeated and it soon became apparent that Baghdad had completely reversed the military situation before Teheran's July 18 acceptance of a cease-fire.

As Iraq improved its military position, its relations with Jordan and Egypt grew even closer. In the seven months between April, 1988, and this writing, Iraq's President Saddam Hussein has held five meetings with Jordan's King Hussein and three with Egypt's President Hosni Mubarak. The summits were marked not only by their frequency, but by their symbolism. When King Hussein visited Baghdad in early July, Saddam escorted him to the graves of Iraq's Hashemite Kings, where prayers were said for Kings Ghazi and Faisal, King Hussein's uncle and great uncle. This was the first time an Iraqi President had visited those graves since Iraq's first "revolution," Abdul Karim Kassim's 1958 coup, and the event was broadcast on Iraqi television. Similarly, when King Hussein visited Baghdad the following month, he took two sons and two nephews to meet Saddam's sons, recalling the era before 1958, when cousins ruled in Jordan and Iraq. More generally, a broader revision in attitudes toward the monarchy is occurring; favorable books on Iraq's Kings, are appearing in Baghdad's bookstores, an event unthinkable before the war.<sup>1</sup> Iraqi historians explained it simply. Who supported Iraq? The Kings.

Iraq's dealings with Egypt were also significant. Mubarak's June, 1988, trip to Baghdad, the first in three years, coincided with an Arab summit meeting in Algiers that was devoted to the Palestinian uprising. The coincidence of the Mubarak-Saddam summit with the "*intifada* summit" signaled Iraqi support for Cairo (Syria still blocks Egypt's readmission to the Arab League and the Arab summits). The third Egyptian-Iraqi summit had the most significance. Mubarak, King Hussein and Yasir Arafat, chairman of the Palestine Liberation Organization (PLO), met in Jordan in late October, 1988, as Egypt sought to promote a Jordanian-PLO reconciliation after King Hussein's surprise decision to cut ties with the West Bank.

The summit had positive implications for Arab-

<sup>1</sup>One book, by Ahmed Fawzi, *Malak Faysal al-Thani* (Baghdad: Dar al-Hurriya, 1988), even bears a glossy cover picture of King Faisal II.

<sup>2</sup>Alan Cowell, *The New York Times*, October 24, 1988.

<sup>3</sup>*Ibid.*; Youssef Ibrahim, *The New York Times*, November 6, 1988. For a more detailed exposition of Iraq's changing attitude toward the Arab-Israeli conflict, see Laurie Mylroie, "After the Guns Fell Silent," *Middle East Journal*, Winter, 1988/1989. For Mubarak's opinion on Iraq's role in the region, see *Yediot Aharonot*, October 21, 1988.

<sup>4</sup>Taha Yasin Ramadan, First Deputy Prime Minister, *Al-Thawrah*, in Foreign Broadcast Information Service—*Near East/South Asia* (hereafter cited as FBIS), August 19, 1988.

Israeli negotiations, because Washington prefers to deal with a Jordanian-Palestinian combination rather than with the PLO alone. Mubarak and Arafat then flew to Iraq. The follow-on Baghdad summit was a token of Iraqi support for Egypt's mediation efforts, and it was reported that Baghdad had helped arrange the Aqaba conference.<sup>2</sup> Thus, increasingly Iraq is being listed among those Arab states that favor a settlement of the Arab-Israeli conflict.<sup>3</sup> Since Syria, despite its own dealings with Israel (mentioned by Mubarak), is always ready to charge Iraqi collusion with the "Zionist enemy," Mubarak presumably could not speak without Baghdad's at least passive concurrence.

Key changes in Iraq's regional policy precipitated by the war apparently will not be reversed by the cease-fire. Rather, the war's end has accelerated some changes—close ties with moderate Arab states (Egypt and Jordan), and abandonment of Iraq's rejectionist stance toward an Arab-Israeli settlement.

Conversely, as Iraq's military posture improved, it took swift revenge on its enemies. Libya and Syria were the two Arab states that had most strongly backed Iran. A series of disasters had befallen Libya's erratic Colonel Muammar Qaddafi after the April, 1986, bombing of Libya by the United States. In 1987, Chadian forces, backed by the United States and France and aided by Iraq, succeeded in ousting Libyan troops from northern Chad. While Qaddafi tried to cope with his reverses, he promised that Libya would no longer sell arms to Iran. This met Iraq's condition, and diplomatic relations were warily restored between Baghdad and Tripoli in late 1987.

Syria, however, remained Iran's firm supporter throughout the war. Despite its pan-Arab rhetoric, Damascus supported Iran in the Persian Gulf War to tie up its Arab rival. Syria was thus the first to feel the blast from the cease-fire. Iraq immediately called for Syria's expulsion from the Arab League,<sup>4</sup> and threw its weight into backing the Christian Lebanese Forces, providing them with arms and money to help block the election of Syria's candidate for the Lebanese presidency. The Syrian-Iraqi rivalry spills over into regions as remote as the Horn of Africa. Baghdad has long supported Khartoum against the rebels in southern Sudan, who are backed by the Marxist regime in Ethiopia. Interestingly, Ethiopia's President paid his first state visit to Damascus in October, 1988, as the Syrian-Iraqi rivalry intensified.

Although Iraq's regional policy seems clear, its relationship with Saudi Arabia is harder to understand. Riyadh was a key partner in the Arab coalition backing Iraq. Yet the leadership in Saudi Arabia is very timid. Saudi diplomacy is based on unceasing maneuvering and a search for balance.

Riyadh rarely takes a clear line, often preferring an obscure policy, lest the Saudis provoke potentially dangerous enemies. The Iraqi-Saudi relationship probably contains tensions that are absent from Iraq's dealings with Jordan and Egypt.

Riyadh will invariably view Iraq's large army as a threat and will try to maintain ties to Iran. In the 1970's, Iraq was perhaps the most dangerous threat to Saudi Arabia and the Persian Gulf sheikdoms, and suspicions remain. But even between 1968 and 1975, when Baghdad was most committed to the export of Baathism, the Iraqi threat was not purely military. The Baathists never tried to invade Saudi Arabia or take over Kuwait; Saudi Arabia is too big and Kuwait has too many friends. Thus Iraq used its military muscle largely to scare the Persian Gulf conservatives, trying to advance its standing in the region and broaden its access to the Persian Gulf by demanding modifications of the Kuwaiti-Iraqi boundary.

Moreover, Riyadh is still protective of its primacy among the Gulf sheikdoms. It has regarded with suspicion Iranian, Jordanian and Egyptian attempts to play a role in the sheikdom's defense, even though Jordan was no challenge, and Cairo and the Shah were friendly. Riyadh regards the sheikdoms as within its proper sphere. Its jealousy extends to any Iraqi efforts to influence them.

Baghdad is aware of Saudi suspicions and has tried to allay Saudi fears. Despite its formal commitment to Baathism, Iraq is trying to reassure the Gulf states that it does not seek to change their governments. But doubts remain.<sup>5</sup>

Baghdad also has complaints about Riyadh, although they are rarely voiced. Despite Saudi Arabia's massive financial assistance, there was a disproportionate sacrifice against an enemy that threatened them all—"Iraq shed its blood, while the Gulf Arabs just paid money."<sup>6</sup> Iraqi casualties were relatively high; Iraq lost more men in the war with Iran than all the Arabs lost in all the wars with Israel. On a per capita basis, Iraqi casualties were some 75 percent higher than Iran's.<sup>7</sup> Through most of the war Riyadh explored an accommodation with Teheran, even to the point, perhaps, of endorsing covert arms sales.<sup>8</sup>

Iraqi relations with Riyadh are not unfriendly by

<sup>5</sup>See Saddam Hussein's comments to Arab information ministers in FBIS, September 7, 1988.

<sup>6</sup>The seemingly inadvertent complaint of an Iraqi official to author, Baghdad, 1987.

<sup>7</sup>United States State Department estimated were that Iraq suffered over 120,000 dead and 300,000 wounded out of a 16-million population, while Iran lost around 300,000 dead and 450,000 wounded out of a 50-million population.

<sup>8</sup>Adnan Khashoggi, the Saudi arms merchant involved in the Iran-contra affair, claimed that he had the blessing of his government. Samuel Segev, *The Iranian Triangle* (New York: Free Press, 1988), p. 15.

historical standards, but lack the smoothness of Iraqi ties with Jordan and Egypt. That is partly a function of proximity, partly the caution and balance of Saudi diplomacy, partly Iraq's resentment at the timidity of Saudi support.

## IRAN AS A PERMANENT THREAT

Some changes in Iraqi policy wrought by the war—above all close relations with Jordan and Egypt—will apparently outlast the conflict itself. Somewhat surprisingly, these changes accelerated as the cease-fire approached, despite expectations that the war's end would reverse Iraqi policy. Yet once this phenomenon has been observed, the reasons are not hard to understand.

The end of this war is no guarantee of lasting peace. World War II followed close on World War I; the Arab-Israeli wars erupt with numbing regularity; and the Ottomans and Safavids fought each other for nearly four centuries along the lines that divide Iran and Iraq today. In terms of basic factors like geography and population, Iraq is vulnerable. It lacks Iran's strategic depth. Baghdad is less than 100 miles from the border, while Iraq's second largest city, Basra, is less than 15 miles from the border. Iraq has only narrow access to the Gulf, which was easily cut off, leaving Iraq landlocked throughout the war.

Iran, on the other hand, has the strategic depth Iraq lacks. Iran cannot be cut off from the sea, and Teheran is over 400 miles from the border. Because Iran is so large, it is nearly impossible for Iraq to defeat Iran. Moreover, Iran's population is three times as large as Iraq's. Iran can more easily tolerate a war of attrition.

That Iraq consolidated ties with Egypt and Jordan as it improved its military posture suggests that the Iraqi leadership understands the country's vulnerability and its need for reliable allies, a point not recognized in 1978 when Iraq led the Arab states in their ostracism of Egypt.

The formidable arsenal Iraq acquired during the war, above all its chemical weapons, could change that imbalance. Yet in its regional policy, Iraq is not acting like a country that has no fears. In September, 1988, after Mubarak's second trip to Baghdad, Egyptian officials there explained to this author that Iraq wants to maintain close relations with Cairo because Baghdad views Iran as a long-term threat and looks to Egypt for its manpower. Moreover, they explained, Iraq does not want a "second front" opened up with Israel, neither for Egypt nor for itself.

The same concept applies to Jordan. Being landlocked is precarious, and Jordan provides Iraq with logistical depth. The port of Aqaba is perhaps Iraq's most dependable outlet to the sea. Presumably that

is what First Deputy Prime Minister Taha Yassin Ramadan had in mind when he affirmed shortly after the cease-fire that, "over the long years of war, Jordan has constituted a strategic depth for Iraq."<sup>9</sup>

Since the spring of 1988, when Iraq's military situation improved, it has been able to overlook elements of the Arab consensus and pursue narrower Iraqi interests. Iraq's regional policy is thus more "moderate" than it was at any time before or during the war, or at any time during Baathist rule. It seems a fair guide to probable Iraqi policy. That notion is reinforced by the historiographical revisionism of Iraq's Kings. It suggests that pending cataclysmic change—like Iran's disintegration—Iraq will not revert to the radicalism of its prewar policy on the regional level.

### IRAQ'S INTERNATIONAL POLICY

If Iraq's regional policy is fairly clear, its international policy is not. As Iraq began to improve its position in the war, tensions arose with Washington. First, Saddam Hussein canceled a meeting with United States Ambassador to the United Nations Vernon Walters, when Walters paid his first visit to Iraq in late May, in a trip that coincided with a key Iraqi offensive. Walters had arrived to urge a modification of the UN cease-fire resolution in Iran's favor, a move that was not likely to meet with Baghdad's approval, particularly because Iraq had begun to gain the upper hand militarily. Most startling, after Iraq's June 25 recovery of the Majnoon oil fields, Saddam Hussein charged that the United States Central Intelligence Agency (CIA) had provided intelligence information to Iran. He was referring to a *Washington Times* article about the upcoming offensive that the Iraqis, with some justice, considered highly sensitive.

It is difficult to ascertain whether the tensions reflected real complaints or whether Iraq sought to provoke a quarrel with Washington, since the complaints were raised in a confrontational manner. Yet once United States policy had recovered from Irangate,<sup>\*</sup> it worked to Iraq's advantage, despite formal United States neutrality. The massive United States naval presence that accompanied the reflagging of Kuwaiti tankers heartened Iraq's allies, facilitating key moves like the April, 1988, Saudi decision to break diplomatic relations with Teheran. Washington's recommitment to Operation Staunch, an American-led arms embargo, was critical in denying Iran weapons and facilitating Iraq's military success. Finally, Washington led the

drive to formulate and implement Resolution 598, the UN cease-fire resolution. That diplomacy ultimately had ambiguous results, but the United States had tried to end the fighting.

UN Resolution 598 sought to impose an international arms embargo on any party rejecting the resolution. For a year, however, Teheran avoided sanctions by giving no clear reply on the resolution. Moscow played along, hoping to improve relations with Iran. Indeed, the day Iran accepted Resolution 598 a Soviet official was in Baghdad to urge Iraq's acceptance of an informal cease-fire. Iran accepted the resolution because of Iraq's military campaign, but the acceptance did not occur in a vacuum; Washington had played a key role in the political and military efforts that isolated Iran.

It is possible that United States-Iraqi tensions reflected Iraq's visceral "anti-imperialism." Having improved its position in the war, Iraq prefers to distance itself from Washington, a move that indicates a reversion toward its prewar policy. The failure of UN diplomacy may have strengthened the "isolationists" in Baghdad, who believe that Iraq can do without the West, which in any case is not to be trusted.

The alternative explanation is that Iraq feared another United States-Iranian deal at Iraq's expense. As Iran began to lose the war, it reached out to the West. France ransomed hostages and restored diplomatic relations with Iran in June, and negotiations began to lead to the restoration of British and Canadian ties. The CIA (once again) reported that Khomeini's death was imminent (suggesting the CIA's renewed hopes for Iran), while it was later revealed that Teheran had made some approaches to Washington. Given the flurry of activity and rumor, Baghdad may have suspected a new version of "Irangate." The tensions might have been a warning of the price to be paid in Baghdad.

In any event, the stage was set for a major confrontation when the United States State Department protested that Iraq had used chemical weapons against its Kurdish population in military operations to end the rebellion spawned by the war. The United States Senate proposed an economic embargo of Iraq, and Baghdad responded with its already established confrontational posture. Iraq's defense minister, while denying that Iraq had used chemical weapons, reserved Iraq's right to do so.<sup>10</sup> A large government-organized march was held outside the United States embassy, while the confrontation was blamed on "Zionist circles" and "the

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\*Editor's note: For further information on United States policy and the Iran-contra arms deal, see Robert Hunter's article in the February, 1988, issue of *Current History*.

<sup>9</sup>*Al-Anba*, August 16, 1988, in FBIS, August 18, 1988.

<sup>10</sup>*The New York Times*, September 16, 1988.

Laurie Mylroie is completing a book on the regional politics of Persian Gulf security.



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*"A major reason why the government of [Egyptian] President Hosni Mubarak has been so willing to seek an accommodation with its religious opponents is the realization that . . . the Islamic awakening<sup>1</sup> is not an alien and inherently subversive force but the continuation of long-standing movements . . . that contain many elements compatible with the development of capitalism and democracy."*

## Islam and Democracy in Egypt

BY ROBERT BIANCHI

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**W**ESTERN thinking about the relationship between Islam and politics has been influenced by the experiences of different countries at different times. Since the collapse of the Ottoman Empire after World War I, scholars and policymakers have focused their attention on three countries—first, Turkey, then Pakistan and, most recently, Iran—expecting that each, in turn, would provide a model so bold and innovative that it might be emulated by Muslims the world over. These three experiments shared very little in terms of their origins or goals or ultimate consequences. Nevertheless, Western observers have tended to view each case as confirming the same conclusion: efforts to build an Islamic state and efforts to build democracy are mutually incompatible.<sup>1</sup>

During the past two decades, Western views on the resilience of Islam have come full circle, but there has been remarkable continuity with regard to the notion that, sooner or later, Muslims must choose between their faith and their freedom. Confidence that the future belongs to the Atatürks has given way to anxiety that it may belong instead to the Ayatollahs. Nevertheless, these remain the perceived alternatives—the secular Turkish path of rationalism, Westernization and liberty versus the fanatical Iranian path of dogmatism, isolation and repression.

For many years, Islam and politics in Egypt were interpreted in terms of one of these foreign models. President Gamal Abdel Nasser was commonly described as an "Arab Atatürk," leading a secular and nationalist revolution that crushed the Muslim Brotherhood and its hopes for an Islamic republic. When Egypt's President Anwar Sadat was assassi-

nated in 1981, it was widely assumed that Egypt's Islamic movement was inspired by the example of the Iranian revolution and by the doctrines of religious radicals in Pakistan like Abu Ala Mawdudi, the former leader of the Jamaat-i-Islami.

Since Sadat's death, Western scholars have devoted extraordinary attention to the most extremist writings of the most extremist religious figures in the country. There are now several careful textual analyses of two works in particular—one by Abd Salam Farag, who belonged to the Jihad group that carried out the Sadat assassination, and the other by Sayid Qutb, who was executed in 1965 for his alleged involvement in a plot to murder prominent supporters of the Nasser regime.<sup>2</sup> By and large, Western scholars have treated these tracts not as bizarre distortions produced by a handful of desperate and misguided men whose ideas have been widely repudiated by Egyptians, but rather as seminal works that represent the cutting edge of the country's politically active Islamic groups.

One of the most important developments in Egyptian politics during the 1980's is that the regime of President Hosni Mubarak has gradually moved away from virtually all these assumptions about the inherent tensions between Islam and democracy. Instead of repeating Anwar Sadat's fatal error of attacking all his religiously motivated opponents simultaneously, Mubarak and his advisers have learned to distinguish between the handful of underground revolutionary groups that are sworn to destroy the regime and the wide assortment of mainstream religious organizations that are pursuing various visions of an Islamic state through peaceful and legitimate means.

By gradually shifting its posture toward the religious opposition from indiscriminate confrontation to selective accommodation, the Mubarak government has accomplished important objectives that would have seemed inconceivable at the beginning of the 1980's. It has more effectively isolated and discredited the extremist fringes of the Islamic movement, allowing the state security forces to

<sup>1</sup>For an introductory overview of Islam and politics in several countries see Edward Mortimer, *Faith and Power: The Politics of Islam* (New York: Vintage Books, 1982).

<sup>2</sup>Gilles Kepel, *The Prophet and Pharaoh: Muslim Extremism in Egypt* (London: Al-Saqi Books, 1985); Johannes Jansen, *The Neglected Duty: The Creed of Sadat's Assassins and Islamic Resurgence in the Middle East* (New York: Macmillan, 1986); and Emmanuel Sivan, *Radical Islam: Medieval Theology and Modern Politics* (New Haven: Yale University Press, 1985).

hunt down and crush remaining pockets of armed resistance. It has allowed the many groups representing the moderate mainstream of the Islamic movement to compete more openly in the political system and in the economy. Several groups that Sadat claimed were trying to tear the country apart have already developed a strong interest in expanding Egypt's multiparty capitalism.

For the Muslim Brotherhood and the Islamic Associations, this increased tolerance has meant a more prominent role in professional syndicates and student unions, greater maneuverability in forging alliances with the legal opposition parties, and a sizable contingent of deputies in Parliament. For the Islamic Banks and Islamic Investment Corporations, there have been new opportunities to carve out larger and more secure niches in Egypt's mixed economy by providing profitable interest-free investments that are often more popular with pious savers and overseas workers than the conventional services of the state, private and foreign banks.

Similarly, many voluntary Islamic organizations like philanthropic and mosque-building groups have been allowed to construct a parallel network of medical clinics, hospitals and foreign language schools. These appeal to middle class patrons, who are put off by costly private institutions, and to the working poor, who are fed up with overcrowded public facilities.

As organized Muslims have become more firmly integrated into Egypt's polity and economy, they also have become more confident that their principal demand—the adoption of the Sharia (the Islamic law) as the law of the land—can be achieved through peaceful and democratic reform instead of revolutionary bloodshed. Leaders of the Muslim Brotherhood and the Islamic Associations have been more willing than ever to reaffirm their long-standing repudiation of the radical notion that Egyptians lived in an “infidel society,” ruled by an “apostate regime” that “true Muslims” were obliged to overturn through “holy war.” Rather, they argue that the vast majority of Egyptians are believing Muslims and that much of their legal system already is derived from the Sharia. Furthermore, many of these leaders also contend that the creation of an Islamic state must be preceded by the gradual creation of an Islamic society. This, in turn, is to be accomplished through preaching and persuasion for, as they note, the Koran states clearly, “There shall be no coercion in matters of faith.”

In contrast to their extremist rivals whom they frequently describe as “terrorists” and “isolationists,” these leaders advocate incremental social change through peaceful dialogue, patient politicking and personal example. Indeed, to underline their adherence to gradualism, some of the leading figures of

the Muslim Brotherhood like the late Umar Tilmisani withdrew their earlier demands for the immediate adoption of the Sharia. Instead, they claimed that a proper Islamization of the legal system would require more time and deliberation to produce a national consensus and to avoid the unilateral, top-down manner in which legal reform was carried out in Pakistan, Sudan and Iran.

For the most part, the Mubarak government has welcomed such calls for debate and deliberation, hoping that greater dialogue between the regime and its religious opponents will enhance its appeal to liberal Muslims and will soften some of the harsh bitterness that accumulated between Sadat and virtually every element of the Islamic movement. Especially during the last three years, the Mubarak regime has conducted a steady mass media campaign designed to discredit the deviant thinking of religious fanatics and to draw spokesmen for a wide variety of moderate Islamic viewpoints into disagreement.

Instead of exaggerating the importance of the revolutionary societies and pretending that they were carrying a dangerous new creed that represented the unspoken beliefs of the man in the street, the government requested and often received the assistance of pious citizens in arresting religious extremists who tried to take the law into their own hands. Instead of being frightened by the growing popularity of law-abiding Islamic groups, Mubarak's advisers used government-controlled television and the tabloid press to highlight the diversity of their opinions. On one hand, the government has enlisted hundreds of independent Muslim intellectuals and writers in its campaign to condemn “religious terrorism”; on the other hand, each group has been able to advance its own criticisms of Egyptian society and its formula for bringing the country's politics, economy and culture into greater conformity with the Sharia.

A major reason why the government of President Hosni Mubarak has been so willing to seek an accommodation with its religious opponents is the realization that what Egyptians commonly describe as the “Islamic awakening” is not an alien and inherently subversive force but the continuation of long-standing movements for religious reform that are thoroughly Egyptian and that contain many elements compatible with the development of capitalism and democracy. During the 1980's, both the government and its religious opponents have tended more and more to characterize contemporary Muslim groups as descendants of the Salafiya movement.

In current discourse, this movement is broadly conceived as spanning the entire period from just before the British occupation in the 1880's until the

eve of the Free Officers' revolution in 1952. The leadership of the Salafiya is frequently described as having passed in succession from Jamal Din Afghani (probably the most famous anti-imperialist agitator in the Muslim world during the late nineteenth century) to Sheik Muhammad Abduh (the modernist jurist and rector of al-Azhar around the turn of the century) to Rashid Rida (a widely read religious-nationalist publicist and defender of the Caliphate before and after World War I) and, finally, to Hasan Banna (the founder and martyr of the Muslim Brotherhood who was assassinated by agents of the monarchy in 1949).

The dissemination of this genealogy in itself is an important aspect of the rapprochement between the regime and the Islamic opposition, for it firmly places the Salafiya (and by implication its contemporary counterparts) in the mainstream of Egyptian nationalism and modernism. This amounts to much more than a retroactive recognition of the Muslim Brotherhood's role in the nationalist struggle before 1952. It suggests that Egypt's current rulers (who consider themselves the heirs of the Free Officers' revolution) would welcome a historic reconciliation with the descendants and allies of the very religious movement that Nasser had tried to crush. By burying the hatchet with an older generation of militant Muslims who after years of imprisonment or exile have renounced revolutionary violence for democratic reform, the Mubarak government hopes that it can also steer the younger members of the Islamic movement toward gradualism and compromise.

This seems a reasonable expectation, given the inherent conservatism of the Islamic movement's demand for adoption of the Sharia. The Sharia is, after all, a system of law. In a country where constitutions have come and gone almost as frequently as the governments that created and ignored them, this point holds considerable importance. The proposal to codify the Sharia is popular not only because it is perceived as "religious" law, but also because it is perceived as "higher" law.

Even many Egyptians who are not particularly strict or pious Muslims can hope that the Sharia can accomplish what no man-made law has been able to provide—a predictable and authoritative set of rules that the government itself must obey. Having witnessed a succession of governments devouring pastry constitutions with "states of emergency," "periods of transition," and "special tribunals," it is not surprising to hear supporters of the Sharia claim

that the state requires God's own limits to prevent it from getting out of control.

When the regime of President Hosni Mubarak and the liberal Muslim intellectuals converge in characterizing Egypt's current Islamic movement as a continuation of the Salafiya movement, they are intentionally portraying it as reformist and modernist rather than fundamentalist.

The crux of the Salafiya position is that Islam must be purified of the accretions and distortions that have accumulated over several centuries by returning to the "true Sharia." The "true Sharia" is to be found not in the body of legal opinions handed down by generations of jurists, but in the Koran and the Sunna (exemplary practice) of the Muslim forefathers (salaf, plural aslaf), i.e., the Prophet, the original community of believers in Medina, and the first four "rightly guided" Caliphs.

Adaptation and innovation are regarded as particularly appropriate in ordering believers' interpersonal relations as opposed to their manner of worshiping God. When considering the proper forms of social, economic and political institutions, adherents of the Salafiya urge Muslims to seek guidance in the Koran, but they also say that believers should read the Koran as though it had been revealed to them in their own time. Hence, the Salafiya project involves two steps rather than one: not merely looking backward for authoritative directions, but using those directions in choosing how to move ahead.

In fact, the groups comprising Egypt's Islamic movement are far too numerous and too diverse to be characterized in this manner. Even the Muslim intellectuals who advance such descriptions admit that they are only half the story. Recently, for example, Tariq Bishri and Fahmi Huwaydi, who have become popular spokesmen for liberal Islam in Egypt, explained that their country actually possessed two Salafiya movements at the same time. They distinguished between the "theoretical" Salafiya of the more educated classes who emphasize modern thinking and the "practical" Salafiya of the man in the street who emphasizes traditional behavior.<sup>3</sup>

Bishri and Huwaydi go so far as to apply different names to these two movements, calling the "theoretical" Salafiya the "Islamic revitalization" (ihya) while terming the "practical" Salafiya the "Islamic awakening" (sahwa). In their view, the former differs from the latter not only by placing the reconstruction of religious thought above the perfection of religious performance, but also by em-

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<sup>3</sup>See their joint interview with Ghali Shukri in *al-Watan al-Arabi*, no. 13-539 (June 19, 1987), pp. 28-31. For an excellent analysis of Tariq Bishri's earlier writings see Leonard Binder, *Islamic Liberalism: A Critique of Development Ideologies* (Chicago: University of Chicago Press, 1988).

Robert Bianchi's most recent book is *Unruly Corporatism: Associational Life in Twentieth Century Egypt* (New York: Oxford University Press, 1989).



## THE AMERICAN ROLE IN THE MIDDLE EAST

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the solid support of a conservative Republican government in the United States.

From early readings of unofficial translations of the resolutions passed at Algiers, it was apparent that none of these positions were taken without equivocation. Arafat's policy was made contingent on its acceptance by the United States and its implementation by the UN.

The immediate response of the United States to the November resolutions of the PNC was negative, like the response of some Israeli officials. But the matter did not rest there.† The PLO persisted in its "peace offensive." Chairman Arafat attempted to gain support for the new Palestinian state and its provisional government. Egypt and Jordan were brought into the process once again, and the American wing of the PNC struggled for influence with Arafat against the pro-Syrian hardliners. The uprising is likely to continue while the Israelis seek new methods to contain and repress it.

However, there is no doubt that pressure on the United States is mounting and that the new administration will have to work out a formula to respond to the appeal of the PNC. The Algiers resolutions fell short of providing a formula for peace, but they indicated that the voices of the inhabitants of the occupied territories and of a Western-oriented and moderate group of Palestinian intellectuals had been heard. Some critics and scholars of United States Middle East policy are already arguing that it would be wise to strengthen the influence of those Palestinians who are committed to a peaceful solution of the problem.

The 1987 Amman summit of the Arab League raised hopes that a new era of inter-Arab cooperation was at hand. Although clearly aimed at transforming the joint Jordanian, Saudi and Egyptian support for Iraq into a system for the coordination of the foreign policies of the pro-Western or

"moderate" Arab states, no new *entente Arabe* was actually created. Instead, it was hoped that the old Arab League would serve the new purpose. Among the political goals implicit in the arrangement was a reaffirmation of the Jordanian-Egyptian approach to the Palestine question and a concomitant reduction of the influence of Syria.

Since November, 1987, much has happened to alter those expectations: Iraq has emerged more powerful, more assertive and unrepentant from the Persian Gulf War that it had initiated; the *intifada* has given the initiative to the people in the occupied territories; and Syria has prevented the election of a Lebanese President who is not controlled by Damascus. The moderate Arab states will support the new PNC line, but their potential for collective leadership has been diminished. Iraq will undoubtedly challenge that leadership and claim greater influence in Arab affairs. Syria has already indicated that it will continue to oppose the PLO and it will jealously guard its position in Lebanon.

American policy has been aware of the intensity of inter-Arab relations, but it has generally been oriented to dealing with individual states on a bilateral basis. The United States has not committed itself to the notion that a single Arab state, like Egypt or Saudi Arabia, should serve either as a regional surrogate or as a means of implementing a specifically Arab policy. The United States has tried to stay clear of direct involvement in inter-Arab politics while blocking the attempts of Soviet surrogates to impose their preferences on other Arab states. As a consequence, over the years since the rise of Nasser in Egypt, the Arab policy of the United States has been most closely coordinated with that of Saudi Arabia. Because Saudi policy is cautious and neutral in many inter-Arab disputes, it has been possible for the United States to seek to improve relations with individual Arab states without committing itself to the foreign policy agenda of those states. The greatest American success has been in its improving relations with Egypt, but Egypt has often expressed its frustration at the limited character of the United States-Egyptian alliance.

During the course of the Persian Gulf War, the United States tilted increasingly toward Iraq and contributed greatly toward the successes achieved by Iraqi President Saddam Hussein. The United States expects some payoff in terms of Iraqi support for Jordan, Kuwait and Saudi Arabia — or at least a reduction of Iraqi pressure on these states — but no commitments have been made. The United States expressed its dismay at the Iraqi use of chemical weapons against Kurdish dissidents immediately after the cease-fire went into effect, but Iraq simply rejected American protests. On the other hand,

†The course of Palestinian-United States relations changed dramatically in December, 1988. After the United States denied Arafat a visa to address the UN in New York, he spoke at a special session of the UN General Assembly in Geneva December 13. In a news conference following his speech, Arafat met United States conditions for the initiation of a dialogue between the two parties when he clearly stated the PLO's renunciation of all forms of terrorism, its implicit recognition of the right of Israel to exist, and its acceptance of UN Resolutions 242 and 338. That same day (December 14) President Ronald Reagan authorized Secretary of State George Shultz to initiate a dialogue with the PLO. The decision by the United States to talk with the PLO was met with disdain in Israel and facilitated the formation of a coalition government to deal with the Palestinian "threat."

Iraq has already made its presence felt in Lebanon and it has indicated that it would support the moderate states, but cooperation with Iraq will be affected by American relations with Iran, by support for the independence and regional primacy of Saudi Arabia, by the inclination to cooperate with Syria in Lebanon, and by antipathy for the brutal and authoritarian methods frequently employed by the Baghdad regime.

It is amazing that the United States is still committed to cooperation with Syria in its uncertain domination of Lebanon. There are other viable alternatives. On the one hand, Syria has dealt the United States several heavy blows in Lebanon; on the other hand, Syria has not managed to gain real control over the Lebanese situation. One might have concluded that it is better to avoid commitment, keeping American chips in reserve until the situation offers some low-risk opportunities for gain. It is less amazing—pathetic is probably the more appropriate word—that the United States is still committed to sustaining the facade of Lebanese constitutionalism regardless of which party wants to exploit that facade.

The last area of challenge to the Bush administration is likely to be Afghanistan. A certain complacency, resulting from the Soviet decision to withdraw Soviet forces, has encouraged United States policymakers to postpone serious consideration of what is likely to happen next. American policy has supported the resistance groups approved by the late President of Pakistan, Mohammed Zia ul-Haq. Those groups have been identified as Islamic fundamentalists or provincial, traditional groups hostile to the dominant Pushtun ethnic community. Since Zia's strategy was based on weakening those elements that have given Pakistan the most grief, it is not certain that the new government of Prime Minister Benazir Bhutto and the People's party will abandon that policy despite earlier criticism. It is even possible that Zia's policy will be perceived as an American policy and hence a policy to be maintained in order to reduce friction with the United States. In the long run, however, the United States must be interested in stabilizing relations with the Soviet Union in central Asia as part of a policy of keeping Soviet leaders on the periphery of Middle East affairs, as they are now, while reassuring them that their vital interests in the region will not be imperiled. Such a policy will require circumspection with regard to the governing capacity of the groups supported by the United States in Afghanistan and thought about whether Afghani fundamentalists might become virulently anti-American with or without Pakistani encouragement. Under Zia, Pakistan acted as the chosen instrument of United States policy in Afghanistan, but the time is fast ap-

proaching when United States policy must begin to take account of the new challenges likely to arise in Afghanistan as a consequence of its old policy.

Finally, it is well to remember the Soviet dimension in Middle East policy. Both the United States and the Soviet Union have committed themselves to continuing the process of reducing tension, expanding discussion from the military and strategic areas to a range of political and economic issues. Among these issues, there will be a package called regional issues, and the Middle East will be the label on one part of the package. Compared with some other parts of the world and especially Latin America, the Middle East will not present the most pressing issues. Soviet leaders are unhappy with the way things are going in Afghanistan. They want to be involved in any comprehensive solution to the Palestine problem, but they do not want to take the initiative. Similarly, they want to be involved in any comprehensive regulation of navigation and petroleum transport through the Persian Gulf, but they do not seem to have a very specific agenda on that subject. The Soviet Union might be willing to participate in a serious effort at regional arms control, but no one has placed such a proposal on the table. Soviet leaders expect to be involved in a wide range of Middle East regional issues that will be dealt with through the UN, including the ending of the Iran-Iraq war, many North African conflicts, refugee questions, and development issues.

Soviet policy today prefers to strengthen the UN, and that preference has already induced the United States to reconsider its hostility to working through the international body. At the same time, working through the UN allows Soviet leaders to limit their commitments and their responsibility for resolving difficult problems that may require expensive solutions. For the United States, the Soviet position offers both burdens and benefits. It leaves Americans the major responsibility for regulating the regional system; it permits the United States to pursue a policy that will serve American interests within the limits set by the need to win passive Soviet support; and it must win cooperation from enough Middle East states to make that policy work. ■

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## JORDAN

*(Continued from page 88)*

tion in it, Arafat unleashed a political program of his own. But rather than move the peace process forward, the PLO tried to avenge its loss of face at the Amman summit and to reclaim its inter-Arab and international imprimatur on all matters relating to the Palestine issue. Its principal target was Jordan.

In June, Arafat engineered an extraordinary

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## IRAQ

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American Knesset.<sup>11</sup>

This Iraqi response was remarkable. Baghdad's uncompromising defiance of United States efforts to uphold the 1925 Geneva convention banning the use of chemical weapons could have precipitated a boycott of Iraq by the West, with far-reaching consequences. Even the prospect of United States sanctions led the Iraqis to hoard key commodities like rice. Nor were the people supporting anti-Americanism.

Iraq's defiance of the United States was not sustained. Iraq's foreign minister soon said that Iraq would abide by the Geneva convention. The anti-American films shown on Iraqi television about napalm and Hiroshima faded quickly. When Jallal Talabani, whose Patriotic Union of Kurdistan had aligned with Iran, visited Washington, Iraq's foreign minister canceled a meeting in June with the United States secretary of state to protest the visit. By November, high-level Iraqi delegations were following Talabani around Europe affirming Baghdad's commitment to the Geneva conventions and trying to counter the Kurdish diplomatic campaign.<sup>11</sup>

Baghdad's initial response may have been consistent with Iraqi interests before the war, but it is no longer. The rapid response reflected the regime's continued isolation and the tenuousness of its dealings with the West, particularly the United States. Conversely, the fact that the anti-American campaign was dropped so quickly reflected new realities imposed by the war. Aside from Baghdad's economic ties to the West, the conflict with Iran has acquired an international dimension. UN diplomacy provided the framework for a cease-fire and UN observers monitor it. The future military balance will depend in part on whether Iran gains free access to the world arms market, including American arms. Although Iraq cannot much influence United States-Iranian relations, it has an interest in seeing that if such relations develop, the development is not harmful to Iraq.

## IRAQ AND IRAN

Although the regime maintains a very tough image, the war-weariness of the Iraqi population should not be underestimated. The celebrations that followed the announcement of the cease-fire were the most spontaneous outpouring of sentiment in two decades of Baathist rule.

Yet no significant progress toward peace has

<sup>11</sup>Talabani visited France and Sweden in mid-October. Iraq's Vice President, who is Kurdish, led delegations to both countries the next month.

been made in three months of negotiations between Iran and Iraq. Resolution 598 is a program for a return to the status quo ante. When Iran had the upper hand, Teheran tried to change the resolution. Once Iraq gained the military edge, it did the same. Iraq insists on an Iranian commitment to a timetable for clearing the Shatt al-Arab, Iraq's only access to the sea, before Iraq agrees to proceed to other provisions of the cease-fire. Iran will not make such a commitment unless Iraq reaffirms the status quo ante, the 1975 Iranian-Iraqi treaty on the Shatt al-Arab. Thus, negotiations are blocked on the issue of the validity of that treaty.

Again, the reasons for Iraq's position are puzzling. Iraq should have the greater interest in a stable peace. Throughout the yearlong diplomacy behind Resolution 598, Iraq insisted on Iran's acceptance of the UN resolution. Accepting 598 was difficult for Iran, because Teheran maintained that Iran was fighting a holy war to overthrow the "infidel" regime in Baghdad. Ending the war was tantamount to admitting that God was not on Iran's side and even, perhaps, that Khomeini was not the Imam. Thus, Khomeini asserted that accepting the cease-fire was "more deadly than taking poison." Similarly, Iran first refused to hold direct talks. Such a refusal generally signifies denial of the other side's legitimacy. A settlement falling short of a formal accord facilitates Iran's ability to maintain the pretense that the holy war continues.

Iraq should also want a stable peace because it cannot defeat Iran, although Iran might in time defeat Iraq. If Iran had had open access to the international arms market, it might have won the war. Is Iraq counting on its arsenal of chemical weapons? Iran, too, has a chemical weapons program.

Baghdad may need something to show for the long war, like sovereignty over the Shatt al-Arab. That was not the impression this author received in Baghdad. A month after the cease-fire, the mood was still one of great happiness because the war was over. Asked whether the conflict could resume for the sake of the Shatt al-Arab, Iraqi officials suggested that this was a bargaining position. The government, Saddam Hussein in particular, gave up half the Shatt al-Arab in 1975, so why would Iraq fight for it now?

Iraq's hard line over the Shatt waterway may be motivated by apprehension that joint sovereignty over the Shatt would leave Iraqi shipping hostage to the mood in Teheran. Or Iraq's hard-line may be tactical. Perhaps Baghdad is waiting for internal changes in Teheran to be resolved. Perhaps Baghdad believes that its tough position, combined with the threat to divert the Shatt al-Arab to a channel entirely inside Iraq, might result in Teheran's agreement. Finally, the possibility that Iraq might



divert at least part of the river should not be overlooked. That would be a recipe for continued tensions.

While both sides seem exhausted and neither is looking for war, the armies are close, and incidents can flare up. Moreover, Iraq holds a temporary military advantage. It may be tempted to press that advantage. Militating against that possibility, however, is the fact that there is little territory of significance to seize on the Iranian side. It may not even seem attractive to Iraq to try to strengthen its negotiating position by limited hostilities—as Egypt tried to do along the Suez Canal in 1969–1970—because Iraq can ill afford the casualties entailed in a period of static border clashes.

Securing a stable peace in the Persian Gulf will not be easy. It may not even be possible. The goal may shift to the minimal aim of stabilizing the cease-fire. That would leave the Iranian and Iraqi armies tied down for the foreseeable future. Ironically, it would also resolve the question of “Whither Baghdad.” The answer to this question would be “Nowhere,” because the war between Iran and Iraq has never really ended and the peace has never come. ■

## IRAN

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take on the whole world simultaneously ever again. But Iran's foreign policies are likely to maintain several key principles:

- Rebuild the military. However much the wicked Shah is excoriated, he set precedents for Iranian military ambitions that will probably be pursued by the Islamic Republic. Defensive grounds alone will explain a military buildup, particularly of air and naval power. Iran will want to demonstrate that it is in no way inferior to Iraq.

- Assert a dominant position in the Gulf. Iranians believe deeply that it is the *Persian* Gulf, that the Gulf has always fallen under the natural control of Persian empires and will continue to do so. Although the historical record does not bear this out, the conviction in the Persian mind is real. Naval power is one key to this goal. So is an active and engaged diplomacy in which Iran takes the lead in formulating a security policy for the entire Persian Gulf.

- Eliminate any foreign presence in the Persian Gulf. As the “great power” of the Gulf, Iran will strongly resist the penetration of any foreign power into the region, especially a superpower. Iraq might even agree with that approach so long as Baghdad does not feel excessively threatened by Teheran.

- Export the revolution—less aggressively. Iran will continue to propagate the ideals of its Islamic government along with its anti-Western, anti-

Communist bias. Depending on the overall future of Islam as a political movement, Iran will try to serve as one of its chief centers. It will build informal ties or even groupings of states with similar Islamic inclinations. It remains to be seen how successfully Iran can overcome the regional perception that it is a “Persian Shiite power” rather than an “Islamic power”; thus its motives remain suspect. Iran would like to serve as a model for Islamic government in the region, but it has a long way to go to recover any positive reputation after the excesses of the past.

- Provide moral support for Shiites throughout the Middle East. No successor regime to the clergy can afford to abandon this natural entree into regional Arab politics. While Iran may decide to abandon support for the cruder use of terror and subversion by Shiite elements, it will probably not abandon them altogether. As social unrest develops in states like Iraq, Kuwait and Bahrain with large frustrated Shiite populations, Iran will almost surely provide some support to their cause. Lebanon will remain a central area of interest and involvement—the one country where “fundamentalism” was responsible for expelling both Israel and the United States. The emergence of Shiite power in any of these countries will have important consequences. Iran's specific policies will depend on the particular trade-off of interests at the time.

- Continue an intense rivalry with Iraq. Both Iran and Iraq will seek to develop influence in the smaller Persian Gulf states and to have a major voice in their security policies. A struggle may emerge as to whether Iraq or Iran or both should join the Gulf Cooperation Council. Any major instability in any Gulf state will automatically bring both Baghdad and Teheran into the picture to forestall excessive influence by the other.

Iran is likely to maintain friendly relations with states that have similarly strong neutralist credentials. While Iran will probably be more pragmatic and will not seek political relations with other radical states simply because they are radical, the Islamic Republic will maintain as a major mission the promotion of nonalignment, especially in the Muslim world.

Iran will take exceptional interest in OPEC (Organization of Petroleum Exporting Countries) politics and will have an interest in limiting oil production to achieve price maintenance. It may well clash with Iraq on this issue, because it is probably more capable of belt-tightening than is Baghdad—and may find common cause with Saudi Arabia.

Iran will not significantly improve its relations with Israel, although it may permit some discreet purchases of military technology from that nation. Iran will maintain solidarity with the Palestine Lib-

eration Organization (PLO), will oppose a peaceful settlement with Israel, and will continue to view Israel through the usual third world optic as a political pariah and a Western surrogate.

For its part, Moscow will devote particular attention to preventing Iran from slipping again into bilateral security ties with the United States—not likely in any case, short of a massive Soviet threat to Iran. After its occupation of Afghanistan and under the new reordering of priorities in Moscow, the leadership in the Soviet Union will probably be disinclined to view a leftist coup in Iran as the most reliable vehicle for the attainment of Soviet influence there.

Moscow will cultivate the development of closer economic ties with Iran, especially improved transit agreements for Iran, a possible further extension of a Soviet railway from central Asia to the Persian Gulf, and joint technical projects. The ultimate Soviet interest will be the maintenance of a truly neutral Iran that will not mortgage itself to the West.

## OUTLOOK

Finally, Iran may well exert a major influence on international Islamic politics. A genuine domestic success for Islamic policies would create an attractive model for other states. In addition, Shiism offers a special theological tool that is not readily available to Sunni Muslims: the ability of the Ruling Jurisprudent to reinterpret core Islamic doctrine to meet contemporary needs. Sunni Islam has been largely frozen theologically since the ninth century. There is no guarantee, however, that the clergy will show any inclination to dispel its traditional medieval miasma in order to introduce a newer, more creative and vibrant Islamic vision to Iran. But the potential is there.

Otherwise, Iran may remain a theological backwater, a Shiite irrelevancy isolated from mainstream Islamic thinking. This domestic failure would turn Iran into a country whose clout would derive primarily from a radical and self-isolating political posture, sidetracking it as a cranky and troublesome force in the region. Domestic failure also threatens the end of clerical power.

In the chaos of a collapsing Islamic regime, few forces in Iran would present comforting alternatives for the West. Most pro-Western elements have long since been expelled or have fled. If moderation comes in Iran, it will probably come through the continued evolution of the system, not from another revolution. Historically, Iran usually gravitates toward strong, personal centralized leadership. Its ambitions regularly outrun its capabilities. The reordering of Iran in this new postwar phase thus finds it at an important crossroads. ■

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## ISRAEL COMES OF AGE

*(Continued from page 72)*

Even more important were developments in Israel's relations with East Asian states. Japan assumed that influence in Washington could not be consolidated without at least a semblance of friendly relations with Israel; thus the Japanese government seemed willing to upgrade its hitherto very distant relations with Israel. This took the form of a further growth in trade relations and, more important, in the Japanese Foreign Minister's official visit to Israel for the first time. The visit was awkward and tense but Israeli officials took satisfaction in its very occurrence.

Meanwhile, Israel continued to cultivate successful trade and military assistance relations with South Korea, Taiwan and, most important, the People's Republic of China. After decades without relations, in which China often supported Israel's most implacable foes, Beijing began to move in an entirely new direction. Open diplomatic relations were not considered. In fact, the Chinese government continued to shy away from publicity; all statements by Israeli officials about contacts with or visits to China were promptly denied in Beijing. Yet there were persistent rumors that the two countries had signed a huge package deal, involving Israeli assistance in agricultural development, in various scientific fields and, above all, in weapons development, upgrading and modernization.

## TIME BOMB IN SOUTH LEBANON

On the face of it, Israel's policy in south Lebanon continued unchanged. The South Lebanon Army (SLA), a militia supported and trained by Israel, continued to function effectively within the security belt that Israel had established unilaterally inside Lebanon after the IDF withdrawal in June, 1985. As a result, neither Palestinians nor Lebanese successfully penetrated Israel's borders very often, and the Jewish population of the Galilee enjoyed a reasonable degree of stability and prosperity. But the car bomb that killed seven Israeli soldiers near the border crossing in Metulah in October, the attempted (and nearly successful) assassination of General Antoine Lahad, commander of the South Lebanon Army in November, and many other violent incidents suggest that this stability is shaky and that, in fact, the situation in south Lebanon is still a major time bomb, an ever-present source of tension.

The problem in 1988 was familiar. The Shiite population of the south, which was so successful in forcing Israel out of Lebanon during 1983-1985, proved unable to maintain its own unity. Nabih Berri's Amal, which enjoyed Syrian support, found it difficult to discipline the Palestinians in and

around Tyre, Sidon and south Beirut, where concentrations of Palestinians were led by Yasir Arafat's PLO and were supported by the Lebanese Forces under Samir Geagea and by the Iran-backed Hezbollah. These alignments were temporary and based on short-lived common interests, but they made it impossible for Amal to assert itself in the south and forced it to acquiesce in the efforts of Hezbollah and various Palestinian organizations to destabilize Israel's security arrangements.

In the long run, it seems almost self-evident that Israel should leave south Lebanon. Its current control of the area through General Antoine Lahad's SLA may offer a modicum of security, but it also creates a continuous irritation, a focal point of antagonism for many Lebanese and for Syria. During 1988, this was manifested by the attempts of Palestinians and suicidal Shiites to undermine the security belt, intensify violence on Israel's northern border, fly over it with gliders, destabilize it from within with car bombs and roadside charges and circumvent it by sea. But although Israel recognized that much of this violence was nourished not by Israel's existence but by its presence inside Lebanon, there was very little action the government of National Unity could take. As long as the fragmentation of the Shiites continues, as long as Amal's foes are supported by Syria's opponents in Lebanon and (as has been the case since the end of the Iran-Iraq war) even in Iraq, an even greater instability might follow an evacuation of the security belt. Many Israelis fear that a withdrawal will create a dangerous power vacuum that could not be filled either by the UN contingents in the area. Accordingly, an Israeli withdrawal poses an unbearable security risk for the Galilee and might conceivably cause escalation into another major conflagration. Under these circumstances, maintaining the security zone appears to be the lesser evil.

## THE INTIFADA

But troublesome as the situation in south Lebanon may have been, it was totally overshadowed by the impact of the Palestinian uprising. Paradoxically, one of the most important factors leading to the uprising in the West Bank and Gaza was the lesson Palestinians drew from Israel's debacle in Lebanon. The sight of the mighty IDF being driven out of Lebanon by militant Shiite action was sobering. If the Shiites—for whom most Palestinians have very little respect—could stand up to Israel, so could the Palestinians.

Another reminder of Israel's vulnerability came with the successful attack on November 25, 1987, on an Israeli army camp near the Lebanese border by a single Palestinian fighter who flew over Israel's security belt in a glider. Several weeks later, during

the first week of December, 1987, an Israeli was killed in the Gaza strip. Within a few days, there was a road accident in the same area, and a few Palestinians were hurt by an Israeli truck. This was interpreted in the Gaza area as a deliberate act of retaliation; and it led to a wave of mass demonstrations.

During the first six weeks of the uprising, Israelis refused to accept it for what it really was: not another short-term wave of unrest but a deeper, better organized, unyielding popular rebellion. For the first time, the Palestinians showed both a willingness to die for their cause and a significant degree of self-restraint. By February, 1988, however, Israelis were recognizing these attributes; this recognition led to the second phase of Israeli response. IDF soldiers were ordered to avoid fatalities and instead to resort to a tactic of ferocious beatings. When this policy led to a worldwide uproar it was abandoned, and the world press was soon barred from access to the territories. The Israeli emphasis then shifted to a combination of curfews, searches, spot raids, covert penetration of Palestinian groups and unidentified sabotage, economic pressures, the exile and (reportedly) the assassination of political leaders by undercover elite troops.

The Palestinians did not yield. Neither did Israel, but Israelis responded to this new situation in significant ways. People stopped visiting the occupied territories. The "Green Line" of 1967 was suddenly alive again; only Israeli security personnel and a few die-hard settlers crossed this line. Polls showed a rise in Israeli hostility toward Palestinians and, at the same time, a growing readiness to accept talks with the PLO and to leave the occupied territories as soon as an agreement made departure possible.

As these changes were taking place in Israeli attitudes, King Hussein of Jordan was also reassessing his position. By July, 1988, he had made up his mind: with Peres's initiative bogged down, with Secretary Shultz's evident failure to lead toward a dialogue and, above all, with the rise of the rebelliousness and self-assertion of the Palestinians, Jordan's links with the Palestinians under Israeli occupation were in question. And the kingdom's ability to prevent an *intifada* within its own domain east of the Jordan river was also in question. In July, 1988, these calculations led Hussein to announce that he was no longer seeking any role on behalf of the Palestinians. After four decades of Jordanian patronage, the Palestinians were once again on their own. The predominantly interstate Arab-Israeli conflict had returned to its pre-1948 intercommunal roots.

Against this bleak picture of violence in the occupied territories and south Lebanon, immobility



in Israeli policy, and a diplomatic stalemate, Israel prepared for general elections to the twelfth Knesset. More than anything else, the country needed a clear electoral decision that would facilitate a strong government. But the number of parties and the lists in the campaign indicated that this was not to be. Almost 30 lists obtained enough signatories to qualify. The total number of eligible voters was 2,840,000. The necessary minimum for a Knesset seat was thus little more than 23,000 valid votes. Half the lists that obtained enough signatures to qualify therefore stood a reasonable chance of winning enough votes to claim a seat in the next Knesset.

Thus, in addition to Labor and Likud, the two broadly based contenders for national leadership, there were more than 20 single-issue lists standing for anything from the expulsion of the Arab population of the West Bank and Gaza to the drastic reduction of the income tax, the establishment of orthodox Judaism as the law of the land, the rights of senior citizens, and Israel's recognition of the PLO.

Among the highlights of the campaign two events merit specific mention. The first was the series of appeals to the central election committee and subsequently to the Supreme Court with regard to the eligibility of Rabbi Meir Kahane's Kach and Muhammed Miari's Progressive List for Peace. Both these parties had been qualified before the 1984 elections and both Kahane and Miari had served full four-year terms in the eleventh Knesset. But the Knesset passed a law disqualifying parties with racist and/or antisystem programs. The question was how these laws would be implemented. The answer came from the supreme election committee barely a fortnight before election day, when Kahane's ultra-nationalist faction was disqualified and Miari's pro-PLO, mainly Arab faction was endorsed.

The second highlight of the campaign was the Shamir-Peres debate. The model was, of course, the American tradition of televised grand debates. But Israel differs from America in so many important respects that what might have worked in the United States clearly did not work so well in Israel. The debate turned out to be a nonevent. Its impact was, at best, marginal, and it only underlined what had become conventional wisdom: the televised campaigning in the elections for the twelfth Knesset was a failure. The electorate was too bored and too cynical to be taken in by the candidates.

There was, however, one important exception — the Sephardi religious party, SHAS-Guardians

of Torah. Led by the charismatic and clever Rabbi Yitzhak Peretz and by the former chief Sephardic Rabbi Ovadia Yoseph, SHAS manipulated Sephardi religious opinion in a manner that would not have shamed some of Iran's articulate Ayatollahs.

When the November election returns were counted, the impact of their activity and of the *intifada* was unmistakable. The most conspicuous outcome was polarization in two dimensions: nationalism and religion. This did not manifest itself in electoral changes between blocs but within blocs. Specifically, there was a virtual transformation of the religious bloc and a significant "leak" of votes from Likud to more militant splinters on its right and from Labor to more militant spokesmen on its left. The rise in the strength of religious orthodox sentiments manifested itself in the virtual takeover of the religious bloc by "Haredim" (the ultraorthodox) at the expense of more moderate orthodox.

Clearly, the religious bloc gained at the expense of the Likud-led nationalist bloc. Shamir's Likud lost one seat and returned to the new House with 40 members. Altogether, the Likud-led bloc declined by 3 seats from 50 in the eleventh Knesset to 47 in the twelfth Knesset.

A similar flow of votes from the mainstream to a more militant flank could be discerned inside the Labor-led bloc. The Labor party itself lost 5 seats (more than 100,000 votes). Left of the conglomeration of Laborites and Liberals, in the mainly Arab protest vote, there were also interesting changes. Abdul Wahab Darawsha, who split from Labor because of Yitzhak Rabin's policy (as minister of defense) in the occupied territories, was elected on his own. The total for this bloc, then, was 56 seats.

The result was a paradox. The Left-Liberal bloc was the largest, but only the nationalist bloc could act as an effective pivot of a viable coalition government. Shamir was thus able to form a viable government on the basis of another national unity coalition with Labor; his alternative, partnership with the religious and the non-religious right, was abandoned because of the preconditions of the religious right.

All told, this represents not a deviation but the opposite: in all likelihood, the 1988 Israeli election represented the spectrum of opinion within the Israeli electorate. The *intifada* has contributed to polarization and, consequently, to the weakening of the center in Israeli politics. The deadlock between Arab and Jew has become harder to resolve and more dangerous. The 1988 stalemate can be broken only by superpower intervention.\* It remains to be seen whether either United States President George Bush or Soviet President Mikhail Gorbachev or, indeed, both together, will choose to act. ■

\*This article was written before Arafat declared that the PLO implicitly recognized Israel's right to exist and renounced terrorism (December 14, 1988); Shultz's subsequent statement that the United States would open talks with the PLO may alter the balance of power in the Middle East.

## SYRIA AND LEBANON

(Continued from page 80)

the Lebanese Forces. Syria views the forces as an Israeli instrument and as a barrier to its own policy and ambitions, and to any political reform in Lebanon. The Lebanese Forces, in turn, are persuaded that Syria plans to take over Lebanon and to eradicate the Maronites' special position in the Lebanese political system. From a vantage point that views Syria as the main danger, the Lebanese Forces have found it expedient to cooperate even with rivals like the PLO and Hezbollah.

### LEBANON'S PRESIDENTIAL CRISIS

As 1988 wore on, the conflict between Syria and the Maronite militia intensified and focused more closely on the Lebanese presidential elections. President Amin Gemayel's term was to expire on September 23, 1988. In the anomalous political circumstances of Lebanon, the President's office had lost much of its power and prestige but remained a key position as long as the existing political and constitutional framework was to be maintained. The same applied to the position of the Maronite community. Having decided that this was not the time to seek a radical change in Lebanon, Syria faced three alternatives in dealing with the problem of Gemayel's succession:

- To try to impose one of its Maronite allies like former President Suleiman Franjeh (1970–1976). Franjeh is elderly, but the chief obstacle to his election was his total identification with Syria. This was bound to pit him against the Lebanese Forces, Syria's other opponents in Lebanon and Franjeh's own rivals.

- To accept a "nationalist" Maronite candidate, acceptable to the Lebanese Forces and their Maronite allies. The name most often mentioned in this context was Michel Aoun, the commander of the Lebanese army whose Maronite brigades were the other mainstay of Christian opposition to Syrian hegemony. This was clearly unacceptable to Syria, which, in addition to all other objections, viewed the hard-core Maronites as Israel's allies.

- To seek a compromise candidate, one sufficiently removed from both Syria and the Lebanese Forces.

Syria committed a serious mistake and opted for Suleiman Franjeh. It may have miscalculated its resources, believing that Franjeh could be rammed through Lebanon's "rump" Parliament. It may also have been alarmed by Iraq's new alliance with the Lebanese Forces and may have come to think that the benefit of having a pliable President outweighed the weaknesses of Franjeh's presidency.

Lebanon has been mentioned several times in

this survey as an arena of Syrian policy, regional rivalries, the Arab-Israeli conflict and American policy. But 1988 was also important in the history of Lebanon's lengthy domestic crisis.

For more than 13 years, since the outbreak of the civil war in April, 1975, the Lebanese state and political system have managed to survive the damages caused by civil war, external intervention and invasion, foreign occupation, economic chaos, the breakdown of services, and the rise and mobilization of new social and political groups.

This has required an unusual combination of resilience and flexibility. The notions of state and government were stretched and modified in order to accommodate new realities and to maintain the principle (and sometimes the fiction) of Lebanese statehood. In practice, Lebanon was divided into a patchwork of local autonomies and areas of foreign occupation, but a central government continued to exist. A Lebanese army remained in existence, but in practice it was broken into confessional brigades.

In 1987, economic deterioration threatened to bring this unusual state of affairs to an end. After 12 years of miraculous survival, the Lebanese currency plummeted and inflation spiraled. At the end of December, 1987, the Lebanese pound deteriorated to a rate of L£466 to the US\$ and the annual rate of inflation was 624 percent. The livelihood of the average Lebanese was so threatened that the situation appeared untenable. In 1988, even this crisis had apparently been overcome, but a new threat to the Lebanese state was created by the failure to elect a President.

As has been suggested above, the office of Lebanon's President has been drained of most real power and authority. The President, furthermore, is elected by a "rump" Parliament, whose mandate should have ended in 1976. But it has been precisely this ability to turn a blind eye to reality and to hang on to symbols of sovereignty and unity that has kept the Lebanese state together since 1975.

The stalemate of August and September, 1988, resulted in a situation in which Amin Gemayel stepped down from the presidency without a successor. He did, however, nominate Michel Aoun, the Christian commander of the army, as the head of a government in which the powers of the President were to be vested. This was unacceptable to the Muslim communities who, with Syrian backing, continued to view Salim Hoss as the legal Prime Minister. The Lebanese crisis has never been only a Christian-Muslim conflict and it has certainly acquired additional dimensions in the last 13 years. But the failure to elect a new President has reactivated the danger of division along confessional lines. Lebanon now has two Prime Ministers, a Maronite and a Sunni, and a Sunni officer has been

chosen by the Hoss government as "its" commander in chief of the Lebanese army.

Other symptoms of breakdown are less distinctly sectarian. There are at present two Presidents of the Lebanese Parliament, and even the central bank, the most solid institution and symbol of the surviving Lebanese state, is weakening under the strain. The question of the Lebanese state's ability to survive has been cast in even starker terms.

In Lebanon, Syria's gambit failed. The Lebanese Parliament was convened on August 18. But the Lebanese Forces and Franjeh's other opponents obstructed his election by preventing several deputies from attending. In the absence of a quorum, the election could not take place. A second, equally humiliating failure occurred on September 22, when an attempt to elect Michel Daher, another pro-Syrian Maronite politician, was thwarted. Daher had been approved by the United States and Syria when Richard Murphy, United States assistant secretary of state in charge of the Bureau of Near Eastern Affairs, visited Damascus earlier in September. But the United States could not deliver the Maronite community; Lebanon remained without a President, and the limits of Syria's ability to translate its military power into political achievements in Lebanon were demonstrated once again.

The accent in Syrian politics in 1988 was clearly on foreign policy. Little happened in the domain of domestic politics. Syria's economic crisis has not been resolved, but there are indications that it has been stabilized. The opposition to Assad's regime is still in disarray, and the serious question in domestic policies concerns Assad's health. Assad is not a healthy man, yet he refuses to make arrangements for an orderly succession. This not only raises serious questions for the future but contributes to the barely preceptible but real jockeying for position in which several of his lieutenants are engaged. ■

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## EGYPT

*(Continued from page 95)*

phasizing the future over the past and the Egyptian nation over the international Muslim community. Most important, however, is their conclusion that the Salafiya of the liberal intellectuals is the tendency that can direct the movement as a whole because it is better able to articulate a "true Sharia" that is in harmony with the times.

The primary purpose of arguments like those of Bishri and Huwaydi is not to convince already well-organized and self-directed religious groups to support liberal intellectual leadership. Rather, the chief audience for these views is Egypt's authoritarian elite. The political implications of the liberal message can be summarized in two key points.

First, the regime would be flirting with suicide if it repeated Sadat's blunder of attacking the Islamic movement as a whole. Second, because the bulk of the Islamic movement is composed of law-abiding Egyptians, accommodating their demands for the Sharia would allow Mubarak to take an important step toward his own professed goal of preparing the nation for democracy.

The liberals are constantly reminding the regime that the future development of the Islamic movement depends on how it is treated (or mistreated) by those in power and not on any inherent conflict between Islam and freedom. This amounts to saying that Egypt's rulers can expect to see an Islam that faithfully reflects the skill or folly of their own statecraft. ■

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## JORDAN

*(Continued from page 97)*

Arab League summit meeting in Algiers, whose goal was to reverse the resolutions of the Amman meeting eight months earlier and to laud the "glorious uprising" against Israeli rule. By that time, as the result of a series of Iraqi military victories and the inadvertent American shooting-down of an Iranian civilian airliner, the tide had already turned in the Persian Gulf War. With the Iranian threat less urgent and the Palestinians rebellious, Arab leaders were in no mood to refuse Arafat.

Hussein was on the defensive throughout the summit meeting. Emboldened by the success of an uprising for which he took credit, Arafat demanded that the summit give him full financial control over support to the Palestinians in the occupied territories and status as the sole, legal representative of *all* Palestinians — including, by implication, most of Jordan's population.<sup>11</sup> These proposals rebuked Hussein for his historic role in the Arab conflict with Israel; they also threatened his very legitimacy to govern on the East Bank. Although he managed to soften the proposals, he clearly read the "writing on the wall."

## "JORDAN IS NOT PALESTINE"

After a long vacation in London, Hussein moved swiftly and decisively to protect his Kingdom from what was considered a frontal assault on the legitimacy of Hashemite rule. No longer, it seemed, was Jordan simply fighting a rear-guard action to protect its influence in the West Bank; rather, in the eyes of many East Bankers, the integrity of the Kingdom itself had come under attack.

In a series of maneuvers that culminated in an electrifying oration on July 31, the King said he was

<sup>11</sup>In their November, 1988, meeting in Algiers, the Palestine National Council reaffirmed a claim to represent "all our people in all places, inside and outside their homeland."



withdrawing whatever claims the Hashemites may have had to Palestine; he challenged the PLO to shoulder the full responsibility for the Palestinians that it had always sought. "Jordan is not Palestine," he declared.<sup>12</sup> In quick order, he dissolved Parliament (half of whose members represented the West Bank), canceled the West Bank development plan, dismantled Jordan's Ministry for Occupied Territories Affairs, stopped paying salaries to thousands of Palestinians on the Jordanian payroll, devalued Jordanian passports held by West Bankers to two-year travel documents, and severed all "legal and administrative ties" to the territories.<sup>13</sup>

Only time can tell whether Hussein's midsummer volte-face can withstand the changing circumstances of Middle East politics. Its tremors were clearly felt throughout the region. Almost immediately, intense pressure began to build inside and outside the territories for the PLO to take decisive political steps—or to step aside and permit West Bankers and Gazans to take such steps themselves—to capitalize on Hussein's withdrawal. Proposals for the formation of a Palestinian government-in-exile, the creation of a provisional government and a declaration of statehood began to circulate. When, after months of debate and speculation, the Palestine National Council issued a declaration of independence on November 15, Jordan was among the first to applaud the move and to give formal recognition to the state-in-making.

Meanwhile, the Americans and the Israelis refused to take the King's word at face value. Secretary Shultz, for example, did not see cause to make any fundamental change in the American approach to the peace process. As he said in September, "Jordan's disengagement from the West Bank hasn't ended Jordan's involvement in the peace process. Jordan has its own interests to pursue."<sup>14</sup>

Peres's Labor party, whose basic platform rested on the notion of the "Jordanian option" and Hussein's willingness to trade peace for territory, was especially hard hit by the King's announcement. Party strategists had to patch together a new platform less than 100 days before Israel's November national election. Despite Hussein's last minute attempts to help Peres, via a joint appearance on ABC's *Nightline* and the vague resurrection of the

idea of a joint Palestinian-Jordanian negotiation delegation and the concept of "confederation" (raised at a mini-Arab summit in Aqaba in late October), the Labor party never really recovered from the shock of the King's July declaration.

## INTERNAL IMPACT

Potentially, Hussein's moves may have had their most significant impact inside the Kingdom. Cutting ties to the West Bank not only placed new restrictions on Palestinian travel, study and commerce in Jordan but reopened old wounds about the role Palestinians play—and are allowed to play—in the Kingdom itself. When, in his July 31 speech, Hussein underscored the need for a society in which "order and discipline prevail," many long-time Palestinian residents of the East Bank took that to mean that their status as Jordanian citizens was in jeopardy. The removal of the Kingdom's leading Palestinian from the upper house of Parliament and the imposition of tight restrictions on several prominent Palestinian journalists lent credence to these fears.

Palestinians control the bulk of wealth in Jordan's economy and their political fears were soon translated into economic jitters. Even before the July 31 announcement, there were two small but worrisome runs (in early May and early June) on the normally stable Jordanian dinar, each resulting in a 5 percent depreciation of the currency. In August and September, the lack of Palestinian confidence and security in the Palestine position inside the Kingdom turned the trickle of Palestinians selling dinars for dollars into a flood. Despite government measures to shore up the dinar, it lost about one-third of its value by late October, when the imposition of government regulations amounted to the first flotation of the dinar in Jordan's history.

These recent economic shocks only made an already bad situation worse. Jordan suffers from a recession and the reverberations of the oil glut, with Arab aid and expatriate remittance income down and unemployment up. Having tempered the economic downturn with the spinoff benefits from the Persian Gulf War, the Kingdom faces more hard times in view of the Iran-Iraq cease-fire. In June, foreign exchange reserves were at an all-time low of \$18.7 million, a 92 percent drop from July, 1987. In early November, 1988, the government unveiled a program of strict austerity measures.<sup>15</sup> But without an injection of sorely needed foreign exchange, the effort is likely to prove inadequate.

As the *intifada* marked its first anniversary, Jordan was at a critical crossroads. Time will determine Hussein's true intentions in severing links to the West Bank; and the vicissitudes of Palestinian and Israeli politics and the *intifada* will have an im-

<sup>12</sup>Amman Domestic Service, July 31, 1988; cited in FBIS, August 2, 1988.

<sup>13</sup>There were intense rumors that Hussein was contemplating these steps as early as mid-May. See, for example, the Israeli newspaper *al-Hamishmar*, May 16, 1988, cited in FBIS, May 17, 1988.

<sup>14</sup>Address delivered to the annual conference of The Washington Institute for Near East Policy, Queenstown, Maryland, September 16, 1988.

<sup>15</sup>Measures include strict limitations on the import of cars, televisions, video equipment and air conditioners. See *ibid*.

portant impact on whether Jordan remains a central actor in the Arab-Israeli conflict. But whether or not the King's stratagem was tactics or strategy, Jordan faces a series of political, economic and social problems on the East Bank that had long been masked by the Kingdom's critical role in the peace process. How Hussein answers basic questions like "who is a Jordanian?" in the context of severe economic retrenchment may prove to be as daunting a task as any he has faced during his long and remarkable rule. ■

## PALESTINIANS AND THE INTIFADA

(Continued from page 76)

King Hussein's move caught the PLO by surprise, and although the announcement was welcomed by both West Bankers and diaspora Palestinians as confirmation of the centrality of the Palestinian/PLO role in the peace process, it was also accompanied by general uneasiness in both quarters. West Bankers were clearly divided on how the PLO should respond to Hussein's move, but there was an increasing sense that it must act. Heralding this growing desire to capitalize on the move, West Bank pro-PLO newspapers called on the PLO to set up a government in exile.

## POLITICS OF THE INTIFADA

The PLO problem was not lost on the leadership. In late August, Fatah central committee member Hani Hasan took note of the *intifada's* "awakening" and reported that Arafat had received nine draft plans for national independence from the occupied territories.<sup>10</sup> Salah Khalaf noted that two events—the *intifada* and Hussein's disengagement—had forced the PLO to consider a political initiative, perhaps the creation of a provisional government. The need to demonstrate leadership to the West Bankers and Gazans was clearly the issue.

The need to assuage one constituency, the *intifada*, was balanced by the need to placate another. There was by no means unanimity within Fatah or the PLO's other constituent factions for a major political move, like a government in exile, a provisional government, let alone a declaration recognizing Israel. Neither the PFLP nor the DFLP (Democratic Front for the Liberation of Palestine) was anywhere close to endorsing these ideas formally. Habash made it clear in late September that the PFLP was not totally opposed in principle to the

<sup>10</sup>*Al-Anba* (Kuwait), August 28, 1988, in FBIS, August 31, 1988, pp. 7-10.

<sup>11</sup>Kuwait KUNA, September 19, 1988, in FBIS, September 20, 1988, pp. 3-4.

<sup>12</sup>Cairo MENA, September 27, 1988, in FBIS, September 28, 1988, p. 3.

idea of a government, so long as the state made no concessions and did not contradict the Palestinian covenant.<sup>11</sup> Organizational opposition to major political moves was also strengthened by the widespread feeling that a major PLO decision should not be taken before the Israeli or American elections and certainly not before any American or Israeli concessions.

Torn between the need to articulate a political move to consolidate the uprising, the need to maintain unity within PLO ranks and the uncertainty about how an initiative would be received, the PLO tried to find a secure middle ground. As the date for the PNC began to slip, expectations that the PLO might make some dramatic move, like establishing a government in exile or recognizing Israel, began to fade. Arafat's speech to the Socialists at the European Parliament in mid-September, hailed by PLO officials as a step forward, broke no new ground; on the contrary, the speech reflected the style of an experienced and cautious politician.

Instead, the PLO appeared to be searching for a way to make an impact, to assuage West Bankers/Gazans, and to push beyond its traditional positions on peace issues without compromising or creating major divisions in Palestinian ranks. Bassam Abu Sharif claimed that of the three options presented to the upcoming PNC—a provisional government, a provisional government and a state, or a declaration of Palestinian national independence—the last seemed to be gaining more attention.<sup>12</sup>

## A NEW STRATEGY

The PNC held at Algiers between November 12 and 15 was apparently the first phase in the PLO's effort to articulate a more salient political strategy, marshal international support for its cause, and overcome West Bank and Gazan concerns that it was unable or unwilling to act. In a session that Palestinians believed to be historic in nature, the PNC pushed the boundaries of its traditional approach to the Arab-Israeli conflict in several different directions:

- for the first time, the PNC referred to UN Resolutions 242 and 338 and mentioned them as one basis for convening an international conference conditioned on guaranteeing the Palestinian right to self-determination;
- in its declaration of independence, the PNC declared an independent Palestinian state based on the original 1947 partition resolution—United Nations General Assembly Resolution (UNGA) 181—that had also endorsed the creation of a Jewish state in Palestine;

The PNC represented an evolution in traditional PLO positions on some issues and a victory for

those within the PLO who saw the importance of remaining relevant to a negotiated solution. It also indicated that Arafat had managed to outflank his more ideological opponents such as George Habash and still maintain PLO unity.

But the PNC resolutions with their tortuous language and anti-Israeli rhetoric still marked only a symbolic victory. The declaration of statehood and media attention could not change the reality of Israeli occupation nor even define a political process that might do so. Israel blasted the outcome; the United States reacted very cautiously. The American decision later that month to deny Arafat a visa to address the UN General Assembly proved to be a media windfall for the PLO, but demonstrated again that there were serious limits to what the PLO's new political approach could achieve.

What led Arafat to his December, 1988, speech at the special UNGA session in Geneva and his follow-up press conference in which he recognized Israel's right to exist, accepted Resolutions 242 and 338 and renounced terrorism will be debated for some time. But it seems clear that the need to achieve some concrete—rather than symbolic—success and thereby to demonstrate that the PLO can act in a way that might begin to change the political balance in its favor was doubtless the primary motive. Indeed, in the end the PLO must have calculated that the results of the Algiers meeting would prove to be a temporary palliative for West Bankers and Gazans and would not succeed in pressuring Israel or in boosting the PLO's claim to participate in a future peace process. Meeting United States conditions for dialogue, on the other hand, may have been seen by the PLO as a way to achieve all three objectives.

## LOOKING AHEAD

The PLO's decision to recognize Israel's right to exist, accept UN Resolutions 242 and 338, and renounce terrorism—conditions that it had not accepted for 13 years—was a direct result of a process triggered by the *intifada*. How much pressure the PLO leadership believed it was really under—from the *intifada*, the Soviet Union, the international community and its own self-generated expectations—is not clear. It may be that Arafat used the pressure argument to sell a policy that had been under consideration for some time. But the fact that Habash and Hawatmeh had resigned themselves both to the PNC results and to the Geneva move suggests that even they realized that the majority felt a need to act.

Whatever the future holds for Palestinians and Arab-Israeli accommodation, there is no going back to the status quo ante December, 1987. The Palestinian uprising has created new realities and

set into motion certain trends for Palestinians under Israeli occupation and for those outside, which, over time, may have a major impact on their future. These trends will open up new possibilities for accommodation or push the parties into an even more bitter confrontation:

- *West Bank/Gaza Particularism*: The *intifada* was an indigenous reaction to a local problem: frustrations of Palestinians under Israeli occupation. And the *intifada* has developed according to the particular circumstances of that constituency. As time passes, this West Bank/Gaza particularism will grow as Palestinians in the territories are forced to develop their own responses and as the leadership, psychology and organization of the *intifada* look increasingly inward.

- *Divisions within Palestinian Ranks*: The relative unity of the *intifada* leadership may come under greater strain as debate intensifies over how to respond to continued Israeli occupation or some prospective peace process. In any event, the short-term debate over what the *intifada* has achieved may intensify; certain constituencies may tire of the struggle, and others will be determined to pursue it more aggressively.

- *Islamic Fundamentalism*: The differences between Islamic fundamentalists and secular nationalists will become more apparent as they compete for a limited pool of constituents and resources. The more militant groups, like Islamic Jihad, may escalate their attacks against Israel and against the secularists if there is a decision to participate in a peace process that involves a compromise over territory.

- *Insiders-Outsiders*: For the first time in 50 years, the political center of gravity in Palestinian national politics is shifting from outside the boundaries of "historic Palestine" to inside. This shift does not mean that West Bankers and Gazans will jettison the PLO. The traditional divisions within this constituency and the reality of the Israeli occupation will probably produce enough inertia to prevent any new initiatives. But the inside-outside split may intensify as it becomes clearer that the needs of Palestinians under Israeli occupation require more urgent attention than the needs of those outside. The confrontation with Israel and Jordan's disengagement will only heighten the Palestinians' awareness of their predicament.

- *PLO Politics*: Events of the past year have forced the PLO to grapple with some key issues that it has been able to finesse in the past. The key challenge is not whether the PLO lacks a political strategy for a negotiated solution; the primary question is whether the PLO can find a way to make Israel the primary focus for a Palestinian-Israeli accommodation, not the United States or the international community. ■



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# THE MONTH IN REVIEW

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*A Current History chronology covering the most important events of December, 1988, to provide a day-by-day summary of world affairs.*

## INTERNATIONAL

### Angolan Peace Plan

(See also *Intl, UN*)

- Dec. 1—In Brazzaville, negotiators from the Congo, U.S., South Africa, Cuba and Angola resume efforts to reach a peace settlement for Angola and Namibia.
- Dec. 13—Cuba and South Africa conclude an agreement on Namibian independence and the withdrawal of Cuban troops from Angola; the protocol calls for Namibian independence April 1, with the troop withdrawal to be accomplished by the middle of 1991.
- Dec. 22—Angola, Cuba and South Africa sign accords that provide for an independent Namibia and the withdrawal of the 50,000 Cuban troops from Angola by July 1, 1991.

### European Community (EC)

(See *Intl, GATT*)

### General Agreement on Tariffs and Trade (GATT)

- Dec. 5—Meeting in Montreal, Canada, the 96 members of GATT agree on reduced tariffs on between \$25-billion and \$30-billion worth of tropical products from third world countries.
- Dec. 9—Concluding their meeting, the 96 GATT ministers concur that political and practical differences between the U.S. and the EC make a reassessment of positions necessary. They also agree to a 4-month review of their effort to revise world trading patterns.

### International Terrorism

(See also *U.S., Foreign Policy*)

- Dec. 21—A Pan Am 747 jumbo jet en route to New York from London disappears from radar at 31,000 feet and crashes into 2 rows of houses in Lockerbie, Scotland. The flight originated from Frankfurt, West Germany, and carried 258 people, mostly U.S. citizens.
- Dec. 22—British and U.S. officials say that the Pan Am jumbo jet apparently exploded at 31,000 feet, scattering debris in an 80-mile arc. No survivors of the crash have been found; at least 11 people in Lockerbie died in the wreckage.
- Dec. 23—The flight recorders recovered from the Pan Am jet reveal a faint, unknown noise before the tape ends.
- Dec. 28—British investigators say that an analysis of the debris from the Pan Am crash site confirms suspicions that a "detonating high explosive" caused the crash. The antiterrorist unit of Scotland Yard and the U.S. Federal Bureau of Investigation (FBI) will continue the criminal investigation.

### North Atlantic Treaty Organization (NATO)

- Dec. 9—NATO Secretary General Manfred Wörner says the alliance "must not abandon plans to upgrade or replace short-range nuclear missiles in Europe" even though the Soviet Union has announced large-scale arms reductions.

### Palestine Liberation Organization (PLO)

(See also *Intl, UN; Egypt; Israel; Lebanon; U.S., Foreign Policy*)

- Dec. 7—In Stockholm, PLO chairman Yasir Arafat says that the PLO has accepted "the existence of Israel as a state" and that the PLO declares "its rejection and condemnation of terrorism in all its forms."
- Dec. 13—Addressing the special session of the UN General

Assembly in Geneva, Arafat asks Israel to begin peace talks with the PLO.

Both U.S. and Israeli spokesmen say that Arafat has not clearly recognized Israel's right to exist. Israeli Prime Minister Yitzhak Shamir characterizes the PLO proposal "double talk."

- Dec. 14—At a news conference in Geneva, Arafat says "we [the PLO] totally and absolutely renounce all forms of terrorism, international, group and state terrorism" and accept "the right of all parties concerned in the Middle East conflict to exist in peace and security"; Arafat adds that the parties include "the state of Palestine, Israel and other neighboring states."

U.S. President Ronald Reagan authorizes "substantive dialogue" with the PLO. U.S. Secretary of State George Shultz designates U.S. Ambassador to Tunisia Robert Pelletreau as "the only authorized channel" for U.S. dealings with the PLO.

- Dec. 15—The UN General Assembly ends its Geneva session after 3 days and adopts resolutions calling for an international conference to "achieve a just and comprehensive settlement of the Arab-Israeli conflict"; it also calls for Israeli withdrawal from the occupied territories and terms the PLO observer mission "the Palestine Observer Mission."

Israel expresses displeasure at the U.S. decision to negotiate with the PLO.

### United Nations (UN)

(See also *Intl, PLO; Israel; Nicaragua*)

- Dec. 2—The General Assembly votes 154 to 2 with 1 abstention to move the current session to Geneva for its debate on Palestine, in order to allow PLO chairman Yasir Arafat to speak to the organization. Because Arafat has been refused a visa to enter the U.S., he cannot address the UN at its headquarters in New York City.
- Dec. 7—Speaking at the UN, Soviet President Mikhail Gorbachev announces a major unilateral cutback in Soviet military forces; 500,000 troops and 10,000 tanks will be phased out over a 2-year period.
- Dec. 14—In the UN Security Council, the U.S. vetoes a resolution condemning Israel for its raid into Lebanon last week.
- Dec. 19—In its annual report, the UN Children's Fund (UNICEF) says that half a million children have died in the last year because of increasing third world poverty.
- Dec. 20—The Security Council votes unanimously to send a 70-member force to Angola to supervise the Cuban troop withdrawal.
- 43 countries sign a UN convention on drug trafficking, to cut down on the illegal drug trade.
- Dec. 21—In the first consensus vote since 1946, the General Assembly unanimously approves its budget for the next 3 years.

### AFGHANISTAN

- Dec. 5—In Saudi Arabia, 3 days of talks between the Soviet Union and the Afghan resistance end inconclusively.

### ALGERIA

- Dec. 23—President Chadli Benjedid is reelected for a 3d term, with 81 percent of the vote.

## ANGOLA

(See *Intl, Angolan Peace Plan, UN*)

## ARGENTINA

Dec. 2—While President Raúl Alfonsín visits the UN, rebellious soldiers led by Colonel Mohamed Ali Seineldin seize the Campo de Mayo infantry school outside Buenos Aires.

Dec. 3—President Alfonsín returns to Argentina from the U.S.; Colonel Seineldin and his followers, surrounded by Argentine troops, demand an increase in military pay and amnesty for military personnel convicted of crimes during the "dirty war" of the 1970's.

Dec. 4—The rebellion in Campo de Mayo ends when the rebellious soldiers surrender. President Alfonsín says that no concessions have been made to the mutineers.

Dec. 6—President Alfonsín blames the economic crisis in Argentina for the military uprising; however, Alfonsín says that "grave errors" committed during the "dirty war" cannot be forgiven.

Dec. 12—The government announces that it is giving the military a 20 percent pay raise.

Dec. 20—General José Dante Caridi resigns as army chief of staff. General Caridi offered to resign as part of the agreement that ended the rebellion led by Colonel Seineldin.

Dec. 21—General Francisco Gassino is selected by President Alfonsín as army chief of staff.

## BELGIUM

(See *U.K., Great Britain*)

## BRAZIL

Dec. 23—Union leader Francisco Mendes Filho, the leader of a campaign to preserve the Amazon rain forest, is assassinated. In an early December interview, Mendes claimed that local landowners, including cattle rancher Darli Alves da Silva, had hired gunmen to assassinate him.

Dec. 26—Darcy Pereira, the 21-year-old son of rancher Darli Alves da Silva, surrenders to the police, who claim that Pereira has admitted that he hired a professional killer to murder Mendes.

## CAMBODIA

(See *China*)

## CANADA

Dec. 24—The House of Commons votes 141 to 111 in favor of the free trade agreement with the U.S. The agreement, which is certain to receive the approval of the Senate, is scheduled to be signed on December 31.

Dec. 30—The free trade agreement with the U.S. receives the final approval of the Senate and the Supreme Court. The bill will become law on January 1, 1989.

## CHINA

(See also *India*)

Dec. 1—For the 1st time in 30 years, the foreign ministers of China and the Soviet Union meet in Moscow and call for cooperation in the effort to end the conflict in Cambodia.

Dec. 2—In Moscow, Chinese Foreign Minister Qian Qichen talks with Soviet President Mikhail Gorbachev. Qian Qichen announces that President Gorbachev has agreed to meet with China's de facto leader, Deng Xiaoping, in 1989.

Dec. 9—Government troops fire on pro-independence demonstrators in Lhasa, the capital of Tibet; Western sources say 2 people have died in the violence.

Dec. 28—In Nanjing, thousands of youths continue demonstrations against black African students. The protests were

triggered by a brawl between the African students and Chinese youths on December 24.

## CONGO

(See *Intl, Angolan Peace Plan*)

## CUBA

(See *Intl, Angolan Peace Plan, UN*)

## FRANCE

(See *Lebanon*)

## EGYPT

Dec. 25—In an interview, President Hosni Mubarak says that he will visit Israel if such a trip will promote a solution to the Palestinian problem and peace in the Middle East.

## GERMANY, WEST

Dec. 8—A U.S. jet fighter crashes in a suburban neighborhood in Remscheid, killing 6 people.

## HONDURAS

(See *Nicaragua*)

## INDIA

Dec. 1—India expels Pakistan's military attaché and a Pakistani embassy official; the 2 have been accused of spying.

Dec. 18—Prime Minister Rajiv Gandhi travels to China for talks with the Chinese government. Gandhi's trip is the 1st visit to China by an Indian Prime Minister since 1954.

Dec. 22—At the end of Gandhi's visit to China, a panel is formed to study the Chinese-Indian border problem.

Dec. 29—Gandhi arrives in Pakistan for 3 days of talks with Pakistani leaders.

Dec. 31—Prime Minister Gandhi ends 3 days of talks with Pakistan's Prime Minister Benazir Bhutto. India and Pakistan sign 3 agreements, including a pact prohibiting attacks on each other's nuclear facilities.

## IRAN

Dec. 12—Amnesty International reports that 300 people have been executed in Iran since July, 1988; most of those killed are believed to have been political prisoners.

Dec. 27—British citizen Nicholas Nicola is released from prison and returned to Great Britain. Nicola was jailed in 1986 after a shooting incident.

## IRAQ

Dec. 13—Iraq says that it is abandoning its trans-Syrian pipeline; the pipeline, shut off by Syria in 1982, once carried one-third of Iraq's oil to the Mediterranean.

## IRELAND

(See *Lebanon; U.K., Great Britain*)

## ISRAEL

(See also *Intl, PLO, UN; Egypt; U.S.S.R.; U.S., Foreign Policy*)

Dec. 2—The Israeli embassy in Mexico confirms that Amiran Nir, a counterterrorism adviser to the Israeli government, died in a plane crash on November 30 in Mexico. Nir had been sought for questioning by the U.S. government special prosecutor in the Iran-contra scandal, but refused to testify, claiming diplomatic immunity.

Dec. 5—President Chaim Herzog grants Prime Minister Yitzhak Shamir a 21-day extension to form a new government.

Dec. 8—The Labor party votes to resume negotiations with the Likud party.

Dec. 9—Israeli officials say that the Israeli army attacked Palestinian guerrilla positions in central Lebanon on December 8 and December 9; the 12-hour operation resulted in the death of 1 Israeli and 20 Palestinians, according to army officials.

Dec. 15—Prime Minister Shamir calls the U.S. decision to initiate a dialogue with the PLO a serious "blunder."

Dec. 19—The Likud party and the Labor party reach a tentative agreement on a coalition government. In the proposed Cabinet, Yitzhak Shamir is to continue as Prime Minister, Moshe Arens is to become foreign minister and Yitzhak Rabin will continue as defense minister. Labor party leader Shimon Peres, who declined to remain as foreign minister, will become finance minister.

Dec. 22—The new coalition government takes office; Prime Minister Shamir appeals for "national unity" in light of the recent actions of the PLO.

Dec. 26—Prime Minister Shamir says that Israel may ask the U.S. and the Soviet Union to sponsor Middle East peace discussions.

Dec. 30—Israel's central bank announces that it has stopped selling foreign currency because of a speculative rush triggered by the recent devaluation of the shekel.

### JAPAN

Dec. 9—Finance Minister Kiichi Miyazawa announces his resignation. Miyazawa has been connected with the scandal involving the sale of stock in the Recruit Cosmos company.

Dec. 21—Japanese Foreign Minister Sosuke Uno and Soviet Foreign Minister Eduard Shevardnadze end 3 days of talks.

Dec. 24—Prime Minister Noboru Takeshita's tax-reform legislation receives final approval from the upper house of Parliament.

Dec. 27—Prime Minister Takeshita completes a realignment of his Cabinet, which began on December 24 when he appointed Tatsuo Murayama as finance minister.

Dec. 29—Takashi Hasegawa, who was named justice minister on December 27, resigns from the Cabinet. Recent disclosures reveal that Hasegawa, who would have been responsible for overseeing the government investigation of the Recruit Cosmos scandal, received political donations from Recruit over the last 12 years.

Dec. 30—Masami Takasuji is named justice minister by Prime Minister Takeshita.

### LEBANON

(See also *Intl, UN; Israel*)

Dec. 16—Swiss Red Cross official Peter Winkler is freed from captivity in Lebanon. Winkler was taken hostage by unidentified gunmen on November 17.

Dec. 17—Amal militiamen free 3 Irish soldiers when they raid the house where the soldiers are held prisoner. The soldiers were abducted on December 16 by members of a small affiliated party of Hezbollah.

Dec. 20—The Swiss-based International Red Cross suspends its operations in Lebanon after its workers receive death threats. This is the 1st time in the 125-year history of the organization that it has been forced to leave a nation because of threats against its personnel.

Dec. 23—The Amal Shiite militia and pro-Palestinian guerrillas agree to a cease-fire, ending 3 years of fighting in Beirut and southern Lebanon.

Dec. 26—The Fatah Revolutionary Council, a radical Palestinian group, claims to have released 2 young French girls held hostage for over a year.

Dec. 27—Fatah spokesmen say that the release of the 2 French girls has been delayed by "poor weather."

Dec. 29—Marie-Laure Betille and Virginie Betille, the 2 French children held hostage by Fatah, arrive in the Libyan port of Benghazi and are reunited with their father. Their mother and 5 Belgians, who were abducted at the same time, remain in the custody of Fatah.

French officials believe that the release of the children came after a personal appeal on their behalf from Libyan leader Colonel Muammar Qaddafi.

### LIBYA

(See *Lebanon*)

### MAURITANIA

(See *U.S., Foreign Policy*)

### MEXICO

(See also *Israel*)

Dec. 1—Carlos Salinas de Gortari is inaugurated as President; in his inaugural address, Salinas asks for a renegotiation of Mexico's \$104-billion foreign debt.

### MOROCCO

(See also *U.S., Foreign Policy*)

Dec. 27—King Hassan II agrees to meet with members of the Polisario Front guerrilla group. The King had previously refused to recognize the existence of the Polisario Front, which has battled Moroccan troops in the Western Sahara for the last 13 years.

### NAMIBIA

(See *Intl, Angolan Peace Plan*)

### NICARAGUA

Dec. 5—President Daniel Ortega Saavedra cancels his trip to the UN, blaming the U.S. government for placing restrictions on the size of the Nicaraguan delegation.

Dec. 20—In a case against Honduras, Nicaragua wins a decision in the World Court when the Court agrees to hear Nicaragua's complaint about Honduras' action in sheltering contra guerrillas.

### PAKISTAN

(See also *India*)

Dec. 1—Benazir Bhutto is chosen Prime Minister by Pakistan's Acting President Ghulam Ishaq Khan. Bhutto will be the 1st female Prime Minister in an Islamic nation.

Dec. 2—Bhutto is sworn in as Prime Minister. Speaking before a nationwide television audience, she calls for an end to government restrictions on labor unions, the press, students and women.

Dec. 3—Bhutto names her Cabinet; she holds the portfolios of defense and finance.

Dec. 12—Ghulam Ishaq Khan wins the presidential election in Pakistan's electoral college by a wide margin.

Bhutto wins her 1st vote of confidence.

### PERU

Dec. 18—President Alan García resigns as leader of the ruling American Popular Revolutionary Alliance (APRA) party. García retains his position as President.

Dec. 20—Former Prime Minister Luis Alva Castro replaces García as the leader of APRA.

### PHILIPPINES

(See *U.S.S.R.*)

### POLAND

Dec. 18—Lech Walesa, the leader of the outlawed labor union



Solidarity, meets with 120 other opposition leaders to approve a platform for proposed talks with the government.  
Dec. 21—A 2-day meeting of the Polish Communist party's Central Committee ends. A shakeup in the Politburo is announced as 6 members resign.

## **SOUTH AFRICA**

(See also *Intl, Angolan Peace Plan*)

Dec. 7—Imprisoned antiapartheid leader Nelson Mandela is transferred from a hospital to a house on a prison farm.  
Dec. 8—One of the longest political trials in South Africa ends as 4 prominent antiapartheid leaders are convicted of treason and sentenced to jail terms ranging from 6 to 12 years.

## **SPAIN**

Dec. 14—A 1-day nationwide general strike is called, involving 80 percent of Spain's workers; the strike, the largest in Spain since 1934, protests economic conditions.

## **SRI LANKA**

Dec. 3—President Junius Jayewardene says that he will dissolve Parliament on December 20; elections for Parliament will be held on February 15, 1989.  
Dec. 19—Presidential elections are held in Sri Lanka. The turnout in the election is lower than usual because the campaign was marred by ethnic violence.  
Dec. 20—Prime Minister Ranasinghe Premadasa, the candidate of the United National party, is declared the winner of the presidential election. Premadasa receives 50.4 percent of the vote; Sri Lanka Freedom party candidate Sirimavo Bandaranaike receives 44.9 percent.

## **SWEDEN**

Dec. 16—A Swedish court orders the detention of 41-year-old Carl Gustav Pettersson, a suspect in the 1986 assassination of Prime Minister Olof Palme.

## **SWITZERLAND**

(See also *Lebanon*)

Dec. 12—Elisabeth Kopp, the 1st woman to serve in Switzerland's Cabinet, resigns.

## **SYRIA**

(See *Iraq*)

## **U.S.S.R.**

(See also *Intl, UN; Afghanistan; China; Israel; Japan; U.S., Foreign Policy*)

Dec. 1—The Supreme Soviet approves constitutional changes that reorganize the Supreme Soviet into a two-house legislative body and provide for multicandidate elections.  
Dec. 2—Five Soviet citizens hijack an Aerflot plane and force the pilot to fly to Israel. The hijackers surrender to Israeli authorities.

The Israeli government, which does not have an extradition treaty with the Soviet Union, returns the hijackers to the Soviet Union.

Dec. 6—President Mikhail Gorbachev arrives in New York City for the start of a 3-day visit to the U.S.

Dec. 7—The foreign ministry says that Sergei Akhromeyev, the chief of staff of the Soviet military, has resigned because of poor health.

Preliminary reports state that an earthquake in Armenia has caused "serious destruction." A Soviet television announcer reads a statement from President Gorbachev saying that the "unprecedented" earthquake resulted in the "death of many people."

Dec. 8—Because of the Armenian earthquake, President Gor-

bachev cuts short his visit to the U.S. and returns to the Soviet Union.

The Soviet press reports that "tens of thousands" died in the earthquake and its aftershock. The quake registered 6.9 and the aftershock registered 5.8 on the Richter scale. Officials in Armenia reveal that 2 major cities and many villages were leveled.

The Health Ministry says that the death toll in the Armenian earthquake may exceed 50,000; another 400,000 people have been left homeless.

Dec. 10—Gorbachev tours the earthquake wreckage in the Armenian city of Leninakan.

Dec. 15—General Mikhail Moiseyev is named Soviet chief of staff.

Dec. 22—Soviet Foreign Minister Eduard Shevardnadze meets with Philippine Foreign Minister Raul Manglapus in Manila. At the conclusion of the meeting, Manglapus says that he was told by Shevardnadze that the Soviet Union may withdraw its forces from Cam Ranh Bay in Vietnam.

Dec. 30—Yuri Churbanov, the son-in-law of former Soviet President Leonid Brezhnev, is sentenced for corruption; he must serve 12 years in a labor camp.

## **UNITED KINGDOM**

### **Great Britain**

(See also *Intl, Intl Terrorism; Iran*)

Dec. 13—Britain's request to Ireland to extradite the Reverend Patrick Ryan is rejected. Ryan, suspected by the British of helping the IRA (Irish Republican Army), was deported by Belgium and sent to Ireland earlier in 1988.

## **UNITED STATES**

### **Administration**

Dec. 1—The Department of Health and Human Services issues a 75-volume report on the nation's 15,000 nursing homes; the report cites inadequate supervision in drug administration and a failure to provide proper rehabilitation care and food in as many as one-fourth of the nation's nursing homes.

Dec. 6—President-elect George Bush retains William Webster as director of the Central Intelligence Agency (CIA).

President-elect Bush names Robert Mosbacher as commerce secretary, Carla A. Hills as U.S. special trade representative and Michael Boskin as chairman of the Council of Economic Advisers.

Dec. 8—The Environmental Protection Agency (EPA) reports that in fiscal 1988 it referred 372 civil violations and 59 criminal violations to the Justice Department.

Dec. 9—President Ronald Reagan and Nancy Reagan receive clean bills of health after semi-annual checkups at Bethesda Naval Hospital.

Dec. 13—President-elect Bush names U.S. trade representative Clayton Yeutter as secretary of agriculture.

Talking to administration officials, President Ronald Reagan blames an "iron triangle" of Congress, lobbyists and journalists for the federal deficits that have risen sharply during his administration.

Dec. 16—President-elect Bush names former Texas Senator John G. Tower as secretary of defense.

Dec. 19—President-elect Bush names Representative Jack Kemp (R., N.Y.) as secretary of housing and urban development.

Dec. 22—Louis W. Sullivan is named secretary of health and human services, Samuel K. Skinner, transportation secretary, Manuel Lujan, Jr., secretary of the interior; Edward J. Derwinski is named to the new post of secretary of veterans affairs and William K. Reilly is named director of the En-

vironmental Protection Agency.

Dec. 24—President-elect Bush names former Transportation Secretary Elizabeth Dole to be secretary of labor.

Dec. 29—The Federal Aviation Administration (FAA) announces strict new security rules for U.S. aircraft flying from airports in West Europe and the Middle East.

### Economy

Dec. 1—The Commerce Department reports that its index of leading economic indicators rose 0.1 percent in October.

Dec. 2—The Labor Department reports that the nation's unemployment rate rose slightly, to 5.3 percent in November.

Dec. 12—The Federal Deposit Insurance Corporation says that the nation's commercial banks reported record profits of \$5.9 billion in the 3d quarter of 1988.

Dec. 13—The Federal Home Loan Bank Board reveals that the nation's savings and loan associations cut their losses to \$1.6 billion in the 3d quarter of 1988.

Dec. 14—The Commerce Department reports that the U.S. foreign trade deficit declined slightly to \$10.3 billion in October.

Dec. 16—The Labor Department says that its producer price index rose 0.3 percent in November.

Dec. 20—The Labor Department reports that its consumer price index rose 0.3 percent in November.

The General Accounting Office says that the Farmers Home Administration has accumulated losses of at least \$36 billion with no chance of recovery and needs "additional borrowings or congressional appropriations."

### Foreign Policy

(See also *Intl, Angolan Peace Plan, GATT, Intl Terrorism, PLO, UN; Canada; Germany, West; Israel; Nicaragua; U.S.S.R.*)

Dec. 7—President Ronald Reagan and President-elect George Bush meet with Soviet General Secretary Mikhail Gorbachev at a luncheon on Governors Island, New York.

Dec. 8—The State Department reports that 2 DC-7 relief planes being used by the Agency for International Development were attacked by missiles over Mauritania; one plane was shot down and its 5 crewmen are presumed dead; the 2d plane landed in Morocco.

The U.S. Navy further relaxes its protection of oil tankers in the Persian Gulf, but it will keep 26 ships on duty there.

Dec. 9—The State Department says that the first U.S. aid for earthquake-stricken Armenia is being assembled in New York for shipment; the Soviet Union is accepting large-scale aid from the U.S. for the first time since World War II.

Dec. 15—Secretary of State George Shultz says that the U.S. will inform PLO chairman Yasir Arafat of the importance of his renunciation of terrorism; the U.S. will "begin a substantive dialogue" with the PLO on Middle East peace.

Dec. 16—Ambassador to Tunisia Robert Pelletreau meets with a PLO delegation in Carthage.

Dec. 22—The FAA says that the U.S. government informed embassies, airlines and airports in Europe about a threat made in early December against a Pan Am flight from West Germany. The disclosure comes in the aftermath of the Pan Am jumbo jet crash.

Dec. 27—In an executive proclamation, President Reagan extends the limit of U.S. territorial waters from 3 miles to 12 miles; he acts under the 1982 UN Convention on the Law of the Sea, which permits the signatories to take such action.

### Labor and Industry

Dec. 21—Drexel Burnham Lambert Inc. agrees in principle to plead guilty to 6 felony counts and pay fines of \$650 million for its insider-trading practices.

Dec. 28—The Federal Home Loan Bank Board aids the bailout of 5 Texas savings and loan associations at a cost of \$5.1

billion; the board also agrees to the sale of the American Savings and Loan Association of Stockton, California.

Dec. 29—The Federal Home Loan Bank Board announces the bailout of 13 more savings and loan institutions.

Dec. 30—The Federal Home Loan Bank Board sells 4 insolvent savings and loan institutions to Ford Motor Company. The institutions will merge with a Ford subsidiary to form the 2d largest savings and loan business in the nation.

Dec. 31—Six more savings and loan institutions are sold by the Federal Home Loan Bank Board. The board says that in 1988 it dealt with 222 failed institutions at a cost of \$38.6 billion in government assistance.

### Legislation

Dec. 5—House Republicans reelect Robert H. Mitchell of Illinois as minority leader of the 101st Congress.

Jim Wright (D., Tex.) is chosen again as Speaker of the House.

### Military

Dec. 1—White House spokesman Marlin Fitzwater says that President Reagan will appoint his national security adviser, Lieutenant General Colin Powell, to be a 4-star general.

Dec. 29—The Defense Secretary's Commission on Base Realignment proposes a plan to close 86 military bases and partially deactivate 5 other facilities. The plan is expected to save \$5.6 billion over the next 20 years.

### Political Scandal

(See also *Israel*)

Dec. 1—President Reagan says he will not pardon former National Security Council aide Oliver North; President Reagan says that he has a "duty to withhold some classified documents" from use in North's trial in the Iran-contra affair.

Dec. 30—The defense for Oliver North subpoenas President Ronald Reagan and Vice President George Bush to testify in North's trial, which is scheduled to begin January 31, 1989.

### Politics

Dec. 19—The Electoral College officially confirms the November 8 election results; George Bush and Dan Quayle receive 426 electoral votes; Michael Dukakis and Lloyd Bentsen receive 111 votes.

### Science and Space

Dec. 2—The space shuttle *Atlantis* lifts off on a secret military mission, purportedly to place a military reconnaissance satellite in orbit.

Dec. 6—The *Atlantis* lands safely at Edwards Air Force Base after its 4-day secret mission.

### VANUATU

Dec. 16—President George Sokomanu orders the dissolution of Parliament and fires Prime Minister Walter Lini. Lini says that the President's actions are unconstitutional and refuses to give up his position as Prime Minister.

Dec. 21—President George Sokomanu is placed under arrest and charged with inciting mutiny. The Supreme Court refuses bail for Sokomanu.

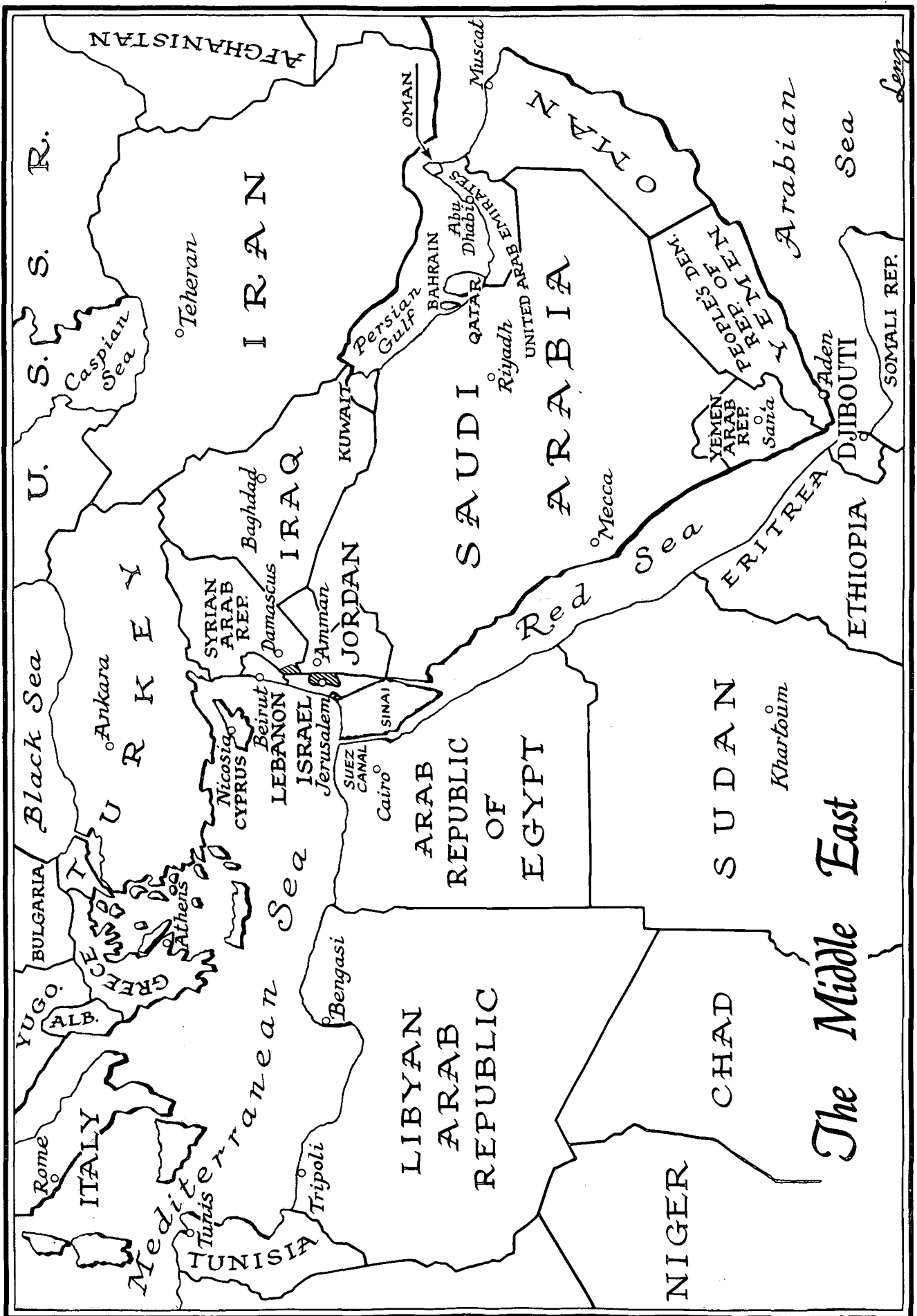
### VENEZUELA

Dec. 4—Former President Carlos Andrés Pérez wins Venezuela's presidential election.

Dec. 31—Venezuela announces the suspension of payments on its \$30.3-billion foreign debt. The suspension will take effect on January 17, 1989.

### YUGOSLAVIA

Dec. 30—The resignation of Prime Minister Branko Mikulich and his 31-member Cabinet is accepted by Parliament. ■





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